

In re: General Motors Corp., et al.
Chapter 11 Case No. 09-50026 (REG)

DECLARATION OF NEIL A GOTEINER IN SUPPORT OF
REPLY OF GENERAL MOTORS SALARIED RETIREES IN
SUPPORT OF GMRA'S APPLICATION FOR APPOINTMENT
OF A SALARIED RETIREES COMMITTEE PURSUANT TO
11 U.S.C. § 1114(D)

EXHIBIT 2

1980



YOUR GM BENEFITS

A Handbook for Salaried Employees
in the United States

GMRA000006

As a General Motors Salaried Employee . . .

you have one of the finest and most comprehensive employee benefit packages in industry. General Motors has been and continues to be a leader in providing a broad range of benefit programs to protect employees and their families. Today's GM benefits are an important factor in making your life more enjoyable and the future for yourself and your family more secure. This booklet highlights benefits which apply to GM salaried employees working in the United States.

This booklet presents general information only and is designed to give you a broad picture of some of the added values of working with General Motors. Any reference to the payment of benefits is conditioned upon your eligibility to receive them. Each of these programs has its own terms and conditions which in all respects control the benefits provided.

The Savings-Stock Purchase Program and Employee Stock Ownership Plan are subject to receipt of acceptable governmental rulings.

Group insurance benefits described in this booklet generally are provided to salaried employees of General Motors actively at work on or after September 17, 1979.

how to find the information you want—



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If You Have Health Care Expenses

The Insurance Program provides protection for you and your eligible dependents against a wide range of Health Care expenses while you are an active employee and after your retirement. The basic coverages are identical to those provided most hourly employees. The Comprehensive Medical Expense Insurance Program is additional coverage for salaried employees which provides major medical benefits over and above those available under the basic coverages.

Coverages for benefits shown below are provided through various carriers such as local Blue Cross and Blue Shield plans, the Metropolitan Life Insurance Company and the Connecticut General Life Insurance Company.

Alternative coverage, providing benefits which may differ from those shown below, is offered in some areas at employee option through a health maintenance organization (HMO) or other group practice plan. Descriptive materials of benefits provided under alternative coverages are available at the insurance office at your GM employing location and from the HMO or group practice plan.

BASIC HEALTH CARE COVERAGES

Hospital Coverage Provides . . .

payment of charges for:

- up to 365 days of needed care in a semi-private room in a participating hospital for general conditions, including maternity care;
- up to 45 days of needed care in a hospital for nervous and mental conditions, or in an approved residential substance abuse treatment facility;
- up to 730 days of needed care (other than custodial care) in an approved nursing home for general conditions--up to 90 days for nervous and mental conditions;
- most medical needs in a hospital or approved facility, such as supplies, drugs, dressings, anesthesia, x-ray, laboratory tests, intensive care, and routine nursery care;
- most services in the outpatient department of a hospital, such as treatment of accidental injuries and certain medical emergencies, surgery, physical therapy (up to 60 treatments per condition per year, which also may be performed in an approved facility other than a hospital), and use of an artificial kidney machine, iron lung and similar equipment;
- up to 35 outpatient treatments per year in an approved substance abuse treatment facility (limited to 140 lifetime treatments)

- medically necessary transfers by ambulance between hospitals and for transfers from hospitals to approved facilities for a CAT scan;
- services under approved home care programs, including payment for necessary skilled nursing and home health aides;
- up to \$1,000 per calendar year for outpatient psychiatric services when billed by an approved facility (see next section);
- up to \$100 per day for room, board, and all covered services in a non-participating general acute care hospital (up to \$15 per day for other than a general acute care hospital).

Medical-Surgical Coverage Provides . . .

payment of reasonable and customary charges for:

- surgery and anesthesia, including pre- and post-operative care;
- obstetrical delivery, including pre- and post-natal care;
- in-hospital consultation and technical surgical assistance;
- in-hospital medical care by the doctor in charge of the case and doctor's medical visits at the rate of two per week for up to 730 days.

in an approved nursing home for general conditions:

- radiation therapy and chemotherapy for malignant conditions;
- necessary diagnostic x-ray laboratory, and pathology services;
- laboratory testing for an annual pap smear;
- outpatient treatment of accidental injuries and certain medical emergencies;
- outpatient psychiatric services, including family counseling (subject to a copayment of 10% for the sixth through the tenth visits and a 25% copayment for all subsequent visits) and benefits of up to \$75 for psychological testing. Payment is limited to \$1,000 per calendar year in combination with expenses for outpatient psychiatric services in an approved facility.

Prosthetic and Durable Medical Equipment Benefits

Hospital and medical-surgical coverages provide for the purchase, fitting, and repair of certain external prosthetic appliances which replace a body part or the functions of a permanently malfunctioning body part. These prosthetic appliances must be prescribed by a licensed physician and furnished and billed by a hospital or facility approved by the carrier.

Benefits also are provided for the purchase or rental of certain durable medical equipment (such as hospital beds, crutches, or wheelchairs) when prescribed by a licensed physician. This equipment must be necessary for the treatment of a medical condition and be provided and billed by a hospital, nursing home, or professional provider such as a pharmacy or medical supply house.

Prescription Drug Benefits

Benefits are provided for the purchase of drugs which require prescription by a licensed physician under federal law. Benefits also are provided for injectable insulin and disposable syringes and needles when prescribed to inject the insulin. A \$3 copayment is applicable for each prescription year, with:

Drug quantities are limited to a maximum of a 31-day supply per prescription, except for

certain maintenance drugs which may be dispensed in 100 or 200 unit doses. Disposable syringes and needles are limited to a 1-month supply when prescribed with a 1-month supply of insulin or, if greater, 100 syringes and needles when prescribed with a 3-month supply of insulin.

Drugs purchased from a participating pharmacy will be billed directly to the carrier. If drugs are purchased from a non-participating pharmacy, you will be required to pay the full charge. You then should file a claim with your carrier. You will be reimbursed 75% of the reasonable and customary charge, less the \$3 copayment for each prescription.

Hearing Aid Benefits

To obtain benefits you must first be examined by an ear specialist (otologist or otolaryngologist) to determine if your hearing problem is caused by a condition which may be corrected by use of a hearing aid. **The cost of this examination is not a covered service.**

If it is determined that your hearing problem may be corrected by use of a hearing aid, benefits will be provided for the reasonable and customary charges for the following services only **when obtained from a participating provider** once during any period of 36 consecutive months:

- audiometric examination;
- hearing aid evaluation test (up to \$48, subject to change each October); and
- one hearing aid (acquisition cost and dispensing fee). However, only the particular hearing aid prescribed as a result of the hearing aid evaluation test will be covered.

Covered benefits will include an ear mold, necessary fitting and adjustment of the hearing aid, and a follow-up examination to determine the effectiveness of the hearing aid.

Dental Coverage

Benefits will be provided up to an annual maximum of \$1,000 per person for other than orthodontics (teeth straightening) during any benefit year (October 1 through September 30), and up to a lifetime maximum of \$800 per person for orthodontics for individuals under age 19.

Metropolitan Life Insurance Company is the dental carrier for Michigan employees, retirees and eligible surviving spouses. Connecticut General Life Insurance Company is the dental carrier for employees, retirees and eligible surviving spouses from employing locations outside Michigan. Benefits are based on reasonable and customary charges of all dentists as determined by the carrier.

Covered Dental Services

Benefits are payable at 100% of the reasonable and customary charge for:

- oral examinations and prophylaxis (cleaning of teeth) but not more than twice in any benefit year
- topical application of fluoride for persons under age 20;
- emergency treatment for temporary relief of pain

Benefits are payable at 90% of the reasonable and customary charge for:

- dental x-rays, including full mouth x-rays (but not more than once in any period of 36 consecutive months), and bitewing x-rays (but not more than twice in any benefit year)
- extractions and oral surgery,
- amalgam, silicate, acrylic, synthetic porcelain, and composite fillings,
- general anesthetics and intravenous sedation when medically necessary and administered in connection with oral or dental surgery
- endodontic (nerve and pulp) and periodontal (gum) treatment,
- repair of crowns, bridgework or dentures, and relining or rebasing of dentures more than six months after installation, but not more than one relining or rebasing in any period of 36 consecutive months,
- inlays, onlays, gold fillings or crowns, but only when the tooth cannot be restored with an amalgam or other filling

The remaining 10% of the reasonable and customary charge is a copayment payable by you.

Benefits are payable at 50% of the reasonable and customary charge for:

- initial installation of fixed bridgework
- initial installation of removable dentures, including any adjustments during the six month period following installation,
- replacement of an existing denture or fixed bridgework, but only when
 - (a) the replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or
 - (b) the existing denture or bridgework cannot be made serviceable and, if it was installed under this coverage, at least five years have elapsed prior to the replacement; or
 - (c) the existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within 12 months from the date of initial installation of the immediate temporary denture;

- orthodontic (teeth straightening) procedures and treatment (including related oral examinations) for persons under age 19

The remaining 50% of the reasonable and customary charge is a copayment payable by you.

Vision Coverage

Benefits will be provided for the reasonable and customary charges (less copayment) for:

- vision examination by an ophthalmologist or optometrist once during any period of 12 consecutive months (\$5 copayment). Under certain limited conditions a benefit may be payable for a second examination within 60 days of the first examination;
- lenses once during any period of 12 consecutive months (\$7.50 copayment)
- contact lenses when vision cannot be corrected to 20/70 in the better eye except by their use or when certain irregularities in the shape of the eye require their use (\$7.50 copayment). When contact lenses are prescribed for any other reason, \$35 less the \$7.50 copayment will be the maximum

benefit. Benefits will be provided for the reasonable and customary charges (less copayment) for contact lenses following cataract surgery unless otherwise provided under medical-surgical coverage.

- frames will be provided once during any period of 24 consecutive months (\$7.50 copayment). If you obtain your frames from a participating provider and you select frames from a display the provider will show you:

there will be no expense to you other than the copayment. However, if you select frames not included in the display, or obtain your frames from a non-participating provider, up to \$15 less the \$7.50 copayment will be the maximum benefit.

The total copayment for each covered individual during any period of 12 consecutive months will not exceed \$12.50 (\$5 for a vision examination and \$7.50 for lenses and frames combined).

COMPREHENSIVE MEDICAL EXPENSE INSURANCE PROGRAM

Comprehensive medical expense insurance coverage provides you, your eligible dependents, retirees, and eligible surviving spouses with major medical benefits. This coverage is offered through the Connecticut General Life Insurance Company. It adds to the protection you are provided by the basic coverages described earlier.

You pay part of the cost of this additional coverage, based on the schedule below. General Motors pays the major portion of the cost.

Monthly Contributions		
Coverage	Active Employee	Retiree or Surviving Spouse
	\$	\$
Single	.45	1.15
Two Party	1.10	2.25
Family	1.30	2.75

Major Medical Benefits

Major medical benefits offer additional protection when the basic benefits described earlier have been exhausted or are not applicable.

Major medical benefits cover reasonable charges, less a deductible amount as described later, for necessary medical services and supplies, including those listed which are not generally covered by your basic coverage:

- physicians' non-surgical services out of hospital.
- up to \$25 a day toward the difference in cost between a semi-private and a private hospital room.
- professional private duty nursing care (up to \$25 a day when care is determined to be primarily custodial in nature).
- blood.
- professional ambulance service when medically necessary.
- semi-private hospital charges after the maximum duration allowed under basic coverages (generally 365 days) has been exhausted.
- semi-private nursing home charges for acute therapeutic care after the maximum duration allowed under basic coverages (generally 730 days) has been exhausted.
- dental work and dentures made necessary by an accident (to the extent not covered under the dental plan).
- inoculations.
- physical examinations (limited to one a year for persons over age 6) including laboratory tests.
- chiropractic services (up to 20 visits within the initial 3 months of treatment).
- voluntary sterilizations.

- copayments made under basic coverage for prescription drugs
- up to \$150 a day, less amounts payable by basic coverages, for confinement in a hospital operated primarily for care of nervous or mental conditions;
- up to \$25 a day for custodial care in an approved facility, or for custodial care rendered at home by a professional private duty nurse

Deductible Amount

You pay a deductible amount of \$50 toward covered expenses which are incurred each calendar year for the same individual. This \$50 is called the individual deductible amount. In meeting this amount, you can add up all of your covered expenses for the same individual, whether they relate to one condition or to a number of different conditions.

However, if covered expenses incurred by two or more family members equal \$100 (the family deductible amount), no additional deductible amount will be applied against expenses incurred by any of your other family members for that calendar year. No more than \$50 of covered expenses for one family member can be applied toward the \$100 family deductible amount.

Any covered expenses incurred in October, November or December of any calendar year

which are applied to the deductible amount for that year and therefore are not reimbursable may be applied to the deductible amount for the following calendar year.

After You Pay the Deductible Amount, Your Insurance Pays 80% . . .

of the next \$2,500 of covered expenses incurred during one calendar year and 100% of covered expenses which exceed \$2,500. Covered expenses for outpatient psychiatric care continue to be payable at 80%, however.

Calendar Year Benefit Limitations

Covered expenses for outpatient psychiatric care include only those charges for services rendered after all basic benefits have been exhausted. Reimbursement is limited to \$4,000 per year for non-psychotic conditions.

Covered expenses for outpatient allergy testing and treatment are limited to benefits of \$2,000 per year.

The maximum reimbursement amount is \$50,000 per calendar year for each individual. There is no lifetime maximum.

GENERAL INFORMATION ABOUT YOUR HEALTH CARE COVERAGES

Effect of Medicare

If you or one of your dependents is enrolled for Medicare, the GM basic Health Care and major medical benefits will be reduced by benefits payable for the same services under Medicare. It is important for both you and your spouse to enroll for Medicare when first eligible. In the event of your death, your surviving spouse will not be eligible for Corporation contributions for any GM Health Care coverages if he or she is eligible but not enrolled for Medicare Part B at or after age 65.

You become eligible for Medicare at age 65, whether or not you choose to continue working. However, if you continue working after age 65, Social Security will not notify you of your eligibility to enroll for Medicare. It is your responsibility to contact the local Social Security Office to apply for Medicare if you continue to work after age 65. It is suggested this contact be made three months prior to attaining age 65. This will allow sufficient time to process your application so you will not miss your initial opportunity for

enrollment. If you do not enroll for Medicare when first eligible, there is a 10% penalty in the monthly amount of the Medicare Part B premium cost to you for each year you delay enrolling.

Coordination of Benefits

A coordination of benefits provision is included in all Health Care coverages under the GM Insurance Program. As a result, benefits payable under this Program, when combined with any other group plan benefits, are limited to the total allowable expenses incurred by the patient during any claim determination period. The purpose of this provision is to avoid duplicate payment of benefits in the event an individual is covered by more than one employer plan.

Sponsored Dependents

Your sponsored dependents (generally aged parents) may have the same Health Care coverages as you have except that dental, vision and major medical coverages are not available to sponsored dependents. You pay the full cost for sponsored dependent coverages.

Exclusions and Limitations

Certain services and charges with respect to Health Care coverages are excluded or limited. A complete description of exclusions and limitations applicable to each benefit provided under the GM Health Care coverages may be found in the appropriate benefit certificates and any riders thereto or similar documents provided by the carriers.

How to Claim Benefits

Basic Hospital, Medical-Surgical, and Prescription Drug Claims

If your carrier is a Blue Cross or Blue Shield plan, just show your identification card when you go to the hospital, residential or outpatient treatment facility, physician, or other provider of covered services. No request should be required for covered services in Blue Cross

participating hospitals or approved facilities. The hospital or facility is paid directly by Blue Cross. Blue Shield generally pays physicians directly. In any situation where a provider of a service is not paid directly by Blue Cross-Blue Shield, you should submit the charges to your local Blue Cross-Blue Shield plan office.

If your carrier is Metropolitan Life Insurance Company, obtain a claim form from the insurance office at your GM location or Metropolitan Life. Complete the upper portion of the form and have the hospital, residential or outpatient treatment facility, physician, or other provider of covered services complete the lower portion. Either you or the provider can submit the completed form to Metropolitan Life. Payment will be made directly to the provider unless you have paid all or part of the charges for service. In that case, Metropolitan Life will pay you. In the case of hospital coverage provided by Metropolitan Life, payment will be made to you, unless you authorize Metropolitan Life to pay the facility directly.

Hearing Aid Claims

Participating providers generally will have the necessary claim forms and will be paid directly by the carrier. Benefits are payable only if you obtain hearing aid services from a participating provider. Ask the provider if he or she is participating BEFORE you receive services. If you need the name of a participating provider, inquire at your GM employing location, the Blue Shield plan in which you are enrolled, or Metropolitan Life, as may be applicable.

Dental Claims

Dental claim forms and instructions are available to dentists in areas where General Motors has employees. In addition, claim forms are available at the insurance office at your GM location and from the carrier for your area.

If a course of treatment is expected to involve dental expenses amounting to \$200 or more, your dentist should file with the carrier a description of the procedures to be performed and

an estimate of the charges prior to the commencement of treatment.

The carrier will notify the dentist of estimated benefits payable with consideration given to alternate procedures that may be performed in order to accomplish the desired results.

You should discuss with your dentist the treatment plan, the fee, and the estimated dollar amount of benefits BEFORE treatment begins.

Vision Claims

Metropolitan Life Insurance Company is the vision coverage carrier for all employees. A claim form may be obtained from the insurance office at your GM location or from a participating provider. Complete your portion of the form and have the remaining portion completed by the provider. The completed form should be sent to Metropolitan Life. Benefits will be paid directly to the provider to the extent that you have not paid all or part of the charges for services. In that case, Metropolitan Life will pay you.

Comprehensive Medical Expense Insurance Program Claims

You should file a claim when your out-of-pocket expenses exceed the \$50 deductible amount for an individual or \$100 for your family. However, if your covered expenses are small, you may find it more convenient to postpone filing until the end of the calendar year. **In any event, claims should be filed no later than 90 days following the end of the calendar year in which expenses were incurred.**

When you are ready to file a claim, you should obtain the necessary forms from your insurance office. There are things you should do routinely before you reach the point when you know you will have a claim to file.

- keep all bills and receipts for medical services incurred by you or your insured dependents.
- keep bills and receipts properly identified, separated by individuals and in chronological order.
- see that bills or receipts are dated and include patient name, location of service

or medical supply, date of service or purchase, and charges incurred.

- keep basic coverage vouchers, and if applicable, Medicare Explanation of Benefit vouchers, with appropriate bills or receipts.
- be sure drug receipts include prescription number, name of patient, date of purchase and amount of charge.
- be sure that receipts for medical supplies, equipment, private duty nursing, physical therapy, or other services not performed by a physician are supported by certification of the attending physician that such supplies, equipment or services are medically necessary.

It is your responsibility to accumulate your bills, receipts, and other supporting documents for a claim. By planning ahead, you can help yourself to obtain all the benefits to which you are entitled with a minimum of time and effort.

If you are in doubt as to whether you should file a claim, you are urged to submit a claim and allow the carrier to determine benefits which might be payable.

Subrogation

In the event that any payment of benefits is made by a Health Care carrier under the GM Insurance Program for services which are legally determined to be payable by a third party, such carrier shall acquire all of the employee's or dependent's rights of recovery as a result of a settlement or judgment brought against any person or organization, except against insurers on policies issued in the name of the employee or dependent.

Certificates

The foregoing is intended only as an outline of your GM Health Care coverages. Actual governing provisions and specific exclusions are contained in the applicable benefit certificates and any riders thereto or similar documents provided by the carriers. Certificates will be made available to you upon request from the insurance office at your GM location or from your local Blue Cross or Blue Shield plan, Metropolitan Life, or Connecticut General, as may be applicable.

EXPLANATION OF CERTAIN TERMS APPLICABLE TO HEALTH CARE COVERAGES

Carrier . . .

any entity through which benefits are paid or coverage is underwritten, such as a Blue Cross plan or a commercial insurance company.

Approved Facility or Treatment Program . . .

a facility or a treatment program that has met criteria established by the local carrier to provide certain services covered by the GM Insurance Program. The following are examples of facilities or treatment programs which must be approved in order for benefits to be paid:

- hospitals
- nursing homes
- outpatient psychiatric care facilities
- substance abuse treatment facilities
- outlets for prosthetic appliances
- free-standing physical therapy facilities
- home care programs

If you are not sure as to the approved status of a facility or treatment program, you may seek advice from the insurance office at your GM location or request information from your local carrier.

Copayment . . .

a part of the charge for services which you must pay. Most health care expenses are paid in full by the appropriate carrier. However, you must pay part of the charge or a "copayment" for certain services such as outpatient psychiatric care, prescription drugs, dental care and vision care.

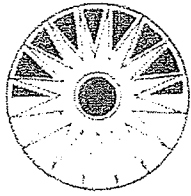
Participating Provider . . .

a person (such as a doctor) or a facility (such as a hospital) that provides health care services. Providers are considered to be "participating" when they have signed an agreement with the carrier to accept as payment in full whatever the carrier determines to be an appropriate charge for services rendered.

You may be uncertain about the participating status or whether there is any need for participation by any health care provider in your local plan area. If in doubt, contact your local carrier or the insurance office at your GM location.

Reasonable and Customary Charge . . .

an amount determined by the carrier — it is the usual amount charged by providers for a specific service in a geographic area.



When You Retire

YOUR GM RETIREMENT PROGRAM IS MADE UP OF TWO PARTS

Part A . . .

is non-contributory. General Motors pays the entire cost. Benefits provided under Part A of the Program are comparable to those provided under the Hourly Pension Plan. This assures salaried employees that they will receive monthly retirement benefits at least equal to those provided to hourly employees. Part A provides monthly benefits for all employees who have 10 or more years of credited service and retire under the Program, or leave General Motors before age 70. There is no 10 year minimum credited service requirement if you retire at age 70. Part A consists of:

- basic benefits
- temporary benefits, and
- supplements

Part B . . .

is contributory. To receive full Part B benefits, you must contribute at all times while eligible and leave your contributions in the Program until retirement. Part B provides you with an opportunity to build up substantial additional monthly benefits, consisting of:

- supplementary benefits, which are based on your years of credited service, your average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement, or age 65 if earlier, and
- primary benefits, which are based on the amount you contribute

While you must contribute to participate in Part B of the Program, General Motors pays the entire cost of supplementary benefits, and most of the cost of primary benefits.

YOU ARE ELIGIBLE TO PARTICIPATE . . .

in Part A automatically when you become a GM salaried employee.

You are eligible to contribute under Part B when you have:

- attained age 25, and
- have 6 months of continuous service.

Your Part B contribution is 2% of monthly base salary in excess of \$1,000. When you elect to participate in Part B, your contribution is deducted from your monthly salary.

YOU ARE ELIGIBLE TO RETIRE . . .

under normal retirement provisions when you attain age 65. Retirement is automatic at age 70.

You may retire at any age if you have 30 or more years of credited service.

If you have 10 or more years of credited service, you may retire:

- as early as age 65, or
- at any age if you have met and maintained the ability

CREDITED SERVICE

Your credited service is used in determining your Part A benefits and any Part B supplementary benefit.

Before October 1, 1950

Your credited service includes all periods of employment with General Motors and certain periods of absence as explained in the Program.

After October 1, 1950

Your credited service includes all periods of employment for which you are paid.

If you are on an approved military leave, or on a disability leave and receive workers compensation, you may receive credited service for such absence.

If you were on layoff at any time during 1951 through 1967, upon application you may receive credited service for all or part of such absence. The amount of credited service you will receive will depend on your years of credited service as of December 31, 1967, December 31, 1973, or October 1, 1979, as may be applicable.

Commencing with the calendar year 1968, you are eligible for credited service for each calendar month of disability leave or layoff in a year during which you receive pay for periods totaling at least one month. After 1970, up to eleven months may be credited for a disability leave or layoff which continues into the following year.

If you were on a special leave of absence because of pregnancy between October 1, 1950

and before January 1, 1968, upon application you may receive four months credited service for each such absence.

After age 65, credited service will accrue only until you acquire 10 years of credited service.

Foundry Asbestos Service

An employee with credited service on or after October 1, 1979 who at retirement has more than 10 years of credited service accrued in certain salaried positions in foundry or asbestos operations at designated GM locations will receive additional credited service.

Annual Statement

Each year you will be given a statement showing your total credited service and contributions up to the end of the preceding calendar year.

If you have any question concerning the correctness of your statement, contact your personnel department.

Loss of Credited Service

You will lose all credited service under the Retirement Program if you quit, are discharged, or are separated for any other reason. However, if you are reemployed by General Motors, your credited service may be reinstated upon proper application. If you have prior credited service which has not been reinstated, you should make application for its reinstatement. Application forms are available at the personnel department.

ALTERNATIVE "SERVICE" TO DETERMINE VESTED BENEFIT

If you lose credited service before age 70 and have less than 10 years of credited service but have 10 years of "service" as determined below, you would be eligible for a vested Part A basic benefit. For example, if you have only 8 years of credited service but have 10 years of "service," the 10 years "service" would provide you a vested Part A basic benefit. The monthly amount of the benefit would be based on 8 years of credited service, however.

You first become eligible to be covered for the "service" provision when you attain age 25, or complete 1 year of service, whichever is later. You get 1 year of "service" when you complete 750 hours of "service" in a 12 consecutive month period. Beginning with your employment date, you complete an hour of "service" for each hour for which you are paid by General Motors for working or for having been entitled to work. No "service" is granted for any portion of

employment prior to age 22 or for any year in which you are paid by General Motors for working fewer than 750 hours.

A 1-year break in "service" will occur if you do not complete 375 hours of "service" in any 12 consecutive month period. Hours paid for

vacation and sickness or disability, which are not worked, may be counted to prevent a break in "service." You will lose your years of "service" if the number of consecutive 1-year breaks equals or exceeds the years of "service" before such break.

RETIREMENT AT AGE 62 OR LATER

If you retire at or after age 62, you may receive the following benefits:

Part A Basic Benefit

Your monthly Part A basic benefit is determined by your basic benefit rate times your years of credited service.

Your basic benefit rate depends on your benefit class code (which is based on the maximum monthly base salary rate for your salaried position) and your retirement date, as follows:

Benefit Class Code	Retirement Date and Monthly Basic Benefit Rate Per Year of Credited Service								
	10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 and after
A	\$ 15.75	\$ 15.95	\$ 16.20	\$ 16.55	\$ 16.85	\$ 17.15	\$ 17.55	\$ 17.85	\$ 18.20
B	\$ 16.00	\$ 16.20	\$ 16.45	\$ 16.80	\$ 17.10	\$ 17.40	\$ 17.80	\$ 18.10	\$ 18.45
C	\$ 16.25	\$ 16.45	\$ 16.70	\$ 17.05	\$ 17.35	\$ 17.65	\$ 18.05	\$ 18.35	\$ 18.70
D	\$ 16.50	\$ 16.70	\$ 16.95	\$ 17.30	\$ 17.60	\$ 17.90	\$ 18.30	\$ 18.60	\$ 18.95

Most salaried employees have the "D" benefit class code. For example, if you retire October 1, 1981, at age 65 with a basic benefit rate of \$18.30 and have 30 years of credited service, your monthly Part A basic benefit will be \$549.00 (\$18.30 x 30 = \$549.00).

Auto-Retirement Increases in Part A Basic Benefit

Your monthly Part A basic benefit rate will be increased several times after your retirement. The date and amount of these increases are shown in the following table:

Date and Amount of Increase in Monthly Basic Benefit Rate Per Year of Credited Service							
2-1-80	8-1-80	10-1-80	2-1-81	8-1-81	10-1-81	2-1-82	8-1-82
\$ 0.20	\$ 0.25	\$ 0.25	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.35

Special Benefit

In addition, at age 65, or earlier if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Primary Benefit

Your Part B primary benefit will be based on your contributions in the Program. This monthly benefit will equal 5% of your contributions made before July 1, 1977, plus 6 1/4% of your contributions made between July 1, 1977, and October 1, 1979, plus 8 1/3% of your contributions made thereafter.

For example, if you retire October 1, 1981, and you had contributed \$8,800 before July 1, 1977, \$900 between July 1, 1977, and October 1, 1979, and \$700 through September 30, 1981, your monthly Part B primary benefit would be:

$$\begin{aligned} \$8,800 \times 5\% &= \$440.00 \\ \$900 \times 6\frac{1}{4}\% &= 56.25 \\ \$700 \times 8\frac{1}{3}\% &= 58.31 \\ \text{Monthly Part B} & \\ \text{Primary Benefit} &= \underline{\$554.56} \end{aligned}$$

No Part B contributions will be permitted under the Program after the first day of the month coinciding with or next following your 65th birthday.

Part B Supplementary Benefit

You also may receive a monthly Part B supplementary benefit. This benefit will equal 1% of the amount by which your average monthly base salary exceeds the applicable amount shown in the following table, multiplied by your years of credited service. Average monthly base salary is calculated over the highest 60 months during the 120 months preceding the earlier of age 65 or date of retirement.

Retirement Date	Applicable Amount
	\$
10-1-79 through 1-1-80	1,650
2-1-80 through 7-1-80	1,670
8-1-80 through 9-1-80	1,695
10-1-80 through 1-1-81	1,730
2-1-81 through 7-1-81	1,760
8-1-81 through 9-1-81	1,790
10-1-81 through 1-1-82	1,830
2-1-82 through 7-1-82	1,860
8-1-82 and after	1,895

For example, if you retire October 1, 1981, at age 65 with an average monthly base salary of \$2,100 and have 30 years of credited service, your monthly Part B supplementary benefit would be \$81.00.

60 Month Average Base Salary	\$2,100.00
Less Applicable Amount	1,830.00
	\$ 270.00
Times Part B Supplementary Benefit Rate	1%
	\$ 2.70
Times Years of Credited Service	30
Equals Monthly Part B Supplementary Benefit	<u>\$ 81.00</u>

Summarizing the examples shown for an employee retiring October 1, 1981, at age 65 with 30 years of credited service, the total monthly benefits at retirement would be:

Part A Basic Benefit	\$549.00
Part B Primary Benefit	554.56
Part B Supplementary Benefit	81.00
Special Benefit	9.70
Total Monthly Benefit	<u>\$1,194.26</u>

RETIREMENT PRIOR TO AGE 62 WITH UNREDUCED BENEFITS

Your benefits will not be reduced if you have 10 or more years of credited service and you retire prior to age 62 under one of the following types of retirement:

- **Mutually Satisfactory Retirement**—as early as age 60. Retirement must be agreeable to you and General Motors.
- **Special Early Retirement**—as early as age 55 and prior to age 60. Retirement must be

initiated by General Motors and must be agreeable to you.

- **Corporation Option Retirement**—as early as age 55. If retirement is before age 60, it is subject to certain conditions and approval by the applicable Corporation Committee.
- **Disability Retirement**—at any age. Retirement can commence when you are disabled for at least 6 months.

Part A Basic Benefit

For any of the preceding types of retirement, your monthly Part A basic benefit, as shown on page 13, will be determined as if you had retired at age 62, but based on your credited service at the time you retire.

Part A Temporary Benefit

In addition, you may receive a monthly Part A temporary benefit until you reach age 62, or if earlier, until you become eligible for Social Security disability insurance benefits.

The amount of your monthly temporary benefit will be based on your years of credited service, up to 25, and your retirement date, as follows:

Retirement Date	Monthly Temporary Benefit	
	Per Year of Credited Service	Maximum
10-1-79 through 9-1-80	\$ 13.00	\$ 325.00
10-1-80 through 9-1-81	\$ 14.00	\$ 350.00
10-1-81 and after	\$ 15.00	\$ 375.00

If you retire because of total and permanent disability, the temporary benefit will be paid only if you submit evidence that you are not eligible for Social Security disability insurance benefits.

RETIREMENT PRIOR TO AGE 62 WITH REDUCED BENEFITS

You may retire voluntarily with reduced benefits:

- at any age if you have 30 or more years of credited service; or
- as early as age 55 and prior to age 62 if you have 10 or more years of credited service.

Part A Basic Benefit

Your monthly Part A basic benefit, as shown on page 13, will be determined as if you had retired at age 62, but based on your credited service at the time you retire. This benefit then will be

Part A Supplements

You also may receive a monthly Part A early retirement supplement. This supplement is reduced by any monthly Part B supplementary benefit payable to you. This supplement is described on page 16.

Special Benefit

In addition, at age 65, or earlier if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Primary Benefit

If you have contributions in the Program, you also will receive a monthly Part B primary benefit, determined as if you had retired at age 62, but based upon the actual amount of contributions you made. An example of this benefit is shown on page 14.

Part B Supplementary Benefit

Any monthly Part B supplementary benefit will be based on your average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement and credited service at the time you retire. An example of this benefit is shown on page 14.

reduced based on your age at retirement if you elect to have it commence before you attain age 62. However, if you have 30 or more years of credited service or your years of age and credited service total 85 or more, such reduction will apply only until you attain age 62.

Part A Supplements

You also may receive a monthly Part A early retirement, or an "interim," supplement. These supplements are reduced by any monthly Part B supplementary benefit payable to you. Part A supplements are described on pages 16 and 17.

Special Benefit

In addition, at age 65, or earlier, if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Benefits

Any monthly Part B primary and supplementary benefits, as described on page 14, will be determined just as for other types of retirement. Monthly Part B benefits will be reduced proportionately, however, if you elect to have them commence prior to age 62.

Important Note

If you retire voluntarily as early as age 55 and prior to age 60, and your combined years of age and credited service total less than 85, other GM benefit programs as well as your benefits under the Retirement Program will be affected. For example:

- You will forfeit unearned GM contributions under the Savings-Stock Purchase Program.
- You must pay the full cost of any insurance coverages you may wish to continue, and
- Your retirement benefits will be further reduced.

PART A SUPPLEMENTS FOR RETIREMENT WITH 30 OR MORE YEARS OF SERVICE

An "Early Retirement Supplement"

may be payable to you each month if you retire before age 62 with 30 or more years of credited service. This supplement is an amount which, when added to the sum of all other Part A and any Part B supplementary benefits payable to you, prior to reduction for any survivor option, will raise the total of these benefits, payable prior to your starting age 62, to the amount shown in the following table.

Retirement Date and Total Monthly Benefit Amount for Determining Early Retirement Supplement Prior to Age 62								
10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 and after
\$ 800	\$ 810	\$ 825	\$ 845	\$ 860	\$ 875	\$ 895	\$ 915	\$ 935

After Retirement Increases in Total Monthly Benefit Amount

Your total monthly benefit amount will increase each year after your retirement. The dates and amounts of these increases are shown in the following table.

Retirement Date	Date and Amount of Increase in Total Monthly Benefit Amount							
	2-1-80	8-1-80	10-1-80	2-1-81	8-1-81	10-1-81	2-1-82	8-1-82
10-1-79/9-1-80	\$ 10	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
10-1-80/9-1-81	—	—	—	15	15	15	15	20
10-1-81 and after	—	—	—	—	—	—	20	20

PART A SUPPLEMENTS FOR RETIREMENT WITH LESS THAN 30 YEARS OF SERVICE

An "Interim" Supplement

may be payable to you each month until you attain age 62 if you retire *voluntarily* before age 62 with less than 30 years of credited service. If you retire as early as age 55 and prior to 60, your age plus credited service must total 85 or more to be eligible for this supplement. The table to the right shows the amount of this supplement, which is based on your age at retirement. The amount of this supplement is reduced by the amount of any monthly Part B supplementary benefit payable to you prior to reduction for any survivor option.

Age at Retirement	Monthly Amount of "Interim" Supplement Per Year of Credited Service		
	10-1-79	10-1-80	10-1-81
55	\$ 4.75	\$ 5.00	\$ 5.25
56	5.75	6.00	6.25
57	7.00	7.25	7.50
58	8.25	8.50	8.75
59	9.00	9.50	10.00
60	10.50	11.00	11.50
61	10.50	11.00	11.50

Note: Amounts are prorated for intermediate ages.

PART A SUPPLEMENTS—LIMITATIONS

- Supplements are not payable to you if you retire *voluntarily* as early as age 55 and prior to age 60 and the sum of your age and years of credited service is less than 85, or if you are discharged.
- If your total monthly Part A and Part B supplementary benefits at retirement prior to age 62 would be more than 70% of your final monthly base salary plus cost of living allowance, any supplement will be reduced by the amount over 70%.
- If you retire voluntarily and become eligible for a Social Security disability insurance benefit, your supplement will be reduced by the

temporary benefit in effect at the time of your Social Security disability insurance benefit award.

- If, after retirement, you earn more in a calendar year than the following amounts, any supplement payable prior to age 62 will be reduced by \$2 for each \$1 of your excess earnings.

Calendar Year	Annual Earnings Limitation Amount
1980	\$ 4,500
1981	5,000
1982	5,500

WORKERS COMPENSATION OFFSET

Workers compensation benefits paid to retired employees will be deducted from GM retirement benefits otherwise payable, unless such workers

compensation payments are paid under a claim filed not later than two years after the employee lost credited service.

SPECIAL BENEFIT

Each retired employee and surviving spouse who is age 65 or older and receiving a GM monthly Part A retirement benefit or a retirement survivor benefit will receive an additional monthly benefit amount, provided under the Insurance Program, but included in the monthly retirement check, as follows:

10-1-79 through 9-1-80	10-1-80 through 9-1-81	10-1-81 and after
\$ 8.70	\$ 9.20	\$ 9.70

This benefit also is payable upon application to a retiree or surviving spouse receiving GM monthly Part A retirement benefits who is under age 65 and enrolled in Part B of Medicare. It is not payable to former employees receiving

deferred vested retirement benefits or to the surviving spouses of such former employees. Not more than one such special benefit is payable to any individual for any one month.

SURVIVOR BENEFITS

In the event of your death, either before or after you retire, monthly benefits may be provided for the lifetime of your survivor.

optional pre-retirement surviving spouse benefit available at no cost to you if you contribute under Part B of the Program.

Refer to pages 38, 39 and 40 for an explanation of these important benefits, including the

SOCIAL SECURITY BENEFITS . . .

are in addition to your GM retirement benefits. You and General Motors contribute equally to the cost of Social Security benefits. Your share of the cost is deducted from your pay. Social Security old age benefits may begin as early as age 62 in a permanently reduced amount. Benefits are payable in full if they begin at or after age 65.

Social Security disability insurance benefits may begin at any age.

Your spouse's Social Security benefit at age 65 will be equal to one-half of your unreduced

Social Security benefit, unless your spouse is eligible for a higher benefit based on his or her own earnings. Your spouse may receive a permanently reduced benefit as early as age 62, or age 60 if a widow or a widower.

The following table may help you estimate your monthly Social Security benefit. The table is based on the Social Security provisions in effect on January 1, 1980.

If You Retire At Age	ESTIMATED MONTHLY SOCIAL SECURITY OLD AGE BENEFITS FOR RETIREMENT IN 1980					
	And Social Security Commences When You and Your Spouse Are					
	Age 65			Age 62		
	Retiree	Spouse	Total	Retiree	Spouse	Total
65	\$ 570	\$ 285	\$ 855	\$ —	\$ —	\$ —
62	503	251	754	402	189	591
60	491	245	736	393	184	577
55	460	230	690	368	172	540

NOTE: Amounts are rounded to nearest dollar. In all instances, you and your spouse are assumed to be the same age. You and your spouse may receive lower benefits from Social Security than those shown above if you earned less than the maximum amount subject to Social Security taxes. These amounts are based on assumptions which were reasonable at the time estimates were made. Because Social Security benefits actually payable reflect individual and national average earnings as well as fluctuations in the consumer price index, you may wish to obtain an estimate based on your personal earnings history from your local Social Security office before retiring.

EXAMPLES—RETIREMENT AT AGE 65

Assume you have participated fully in Part B of the Program and retire June 1, 1980 at age 65 with 30 years of credited service.

YOUR COMBINED MONTHLY GM AND SOCIAL SECURITY BENEFITS ESTIMATED FOR RETIREMENT ON JUNE 1, 1980							
Contributions to age 65	Assumed Average Monthly Base Salary Highest 60 of 120 Months Before Retirement	Monthly Benefit Amounts					
		Part A	Part B		Social Security (Maximum)		Total
			Primary	Supplementary	Self	Spouse	
\$ 8,400	\$ 1,800	\$ 501	\$ 335	\$ 39	\$ 570	\$ 285	\$ 1,730
9,930	2,100	501	516	129	570	285	2,001
10,650	2,400	501	554	219	570	285	2,129
11,340	2,700	501	590	309	570	285	2,255

NOTE: Amounts are rounded to the nearest dollar. Increases in both Part A and Part B benefits which are scheduled to become effective subsequent to June 1, 1980 would be added to the amounts shown in all cases. You and your spouse are assumed to be the same age. You and your spouse may receive lower benefits from Social Security than the estimated amounts shown above if you earned less than the maximum amount subject to Social Security taxes.

MORE INFORMATION ABOUT YOUR RETIREMENT BENEFITS

Additional information about Salaried Retirement Program benefits appears elsewhere in this booklet under applicable headings. For

more information about your retirement, you should contact your personnel department.

OTHER BENEFIT PROGRAM COVERAGES --AFTER RETIREMENT

Savings-Stock Purchase Program

You may receive a lump sum distribution of your account, including full earn-out of GM contributions (except for voluntary retirement as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85—in which case you will receive earned-out GM contributions).

Deferral of Distribution—If you retire during a year in which you will not reach or exceed age 65, you may defer the receipt of your account until the next year.

Lifetime Annuity Contract—In lieu of receiving your account in a lump sum at retirement or

deferring receipt of your account, you may elect to convert all or part of your eligible assets to an annuity which will provide a monthly income after retirement. The conversion would be made through an insurance carrier selected by General Motors at favorable group rates.

Individual Retirement Account—Another alternative available at retirement, outside the Savings-Stock Purchase Program, is the conversion or "roll over" of certain assets to an Individual Retirement Account (IRA). Similar to the Annuity Option, an IRA will provide for deferred income. The "roll over" of assets is arranged

between you and a bank or investment company of your choice.

Refer to page 21 for additional information on the Savings-Stock Purchase Program.

Employee Stock Ownership Plan

You will receive two distributions of your account following your retirement. The first distribution will be in February following the year of retirement. It will consist of your entire balance at that time. In February of the second year following the year of termination, the amount allocated to your account for the year in which you retired will be distributed. Refer to page 25 for additional information about the Employee Stock Ownership Plan.

Health Care Coverages

Your basic Health Care coverages (except vision prior to October 1, 1980) will be provided at GM expense for your lifetime (except for voluntary retirement as early as age 55 and prior to age 60 when combined years of age and credited service total less than 85, or for retirement as early as age 60 and prior to 65 without retirement benefits).

If you retire voluntarily as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85, or retire as early as age 60 and prior to 65 without retirement benefits, you may continue your basic Health Care coverages for your lifetime provided you pay the full monthly cost.

During periods that basic coverages are in effect, you also may continue your comprehensive medical expense insurance coverage by making the monthly contributions applicable to retirees (see page 6) or by paying the full monthly cost if applicable.

Life Insurance

Your basic life, extra accident, and survivor income benefit insurance will be continued at GM expense until age 65 (except for voluntary retirement as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85). At age 65, extra accident and survivor income benefit insurance ceases.

If you retire voluntarily as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85, you may continue your basic life, extra accident, and survivor income benefit insurance to age 65, provided you pay 50 cents per month for each \$1,000 of basic life insurance in force.

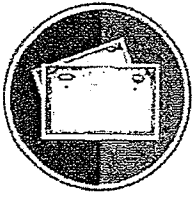
Refer to page 36 for an explanation of continuing life insurance protection after age 65.

If you have at least 5 years of participation at age 60 and cease active work for any reason, you may continue basic life, extra accident, and survivor income benefit insurance to the end of the month in which you attain age 65. If you are eligible for retirement benefits, General Motors will pay the full cost of such insurance. If you are not eligible for retirement benefits, you must contribute 50 cents per month for each \$1,000 of basic life insurance in force.

Optional and dependent group life insurance may be continued to age 70 provided that your basic life insurance remains in force and you pay the required monthly contributions. See page 37 for further explanation of these coverages after age 65.

Personal Accident Insurance

You may continue this insurance on yourself and any eligible dependents for your lifetime, by paying the required premiums. However, after you are age 70, insurance in force on any person insured may not exceed \$50,000.



Saving With General Motors

UNDER THE GM SAVINGS-STOCK PURCHASE PROGRAM

The purpose of the Savings-Stock Purchase Program is to help you accumulate savings and to provide you an opportunity to acquire a stock interest in General Motors

You Are Eligible . . .

to participate in the Program if you have at least 6 months of continuous employment. You may withdraw from the Program at any time

How the Program Works

You may save up to 15% of your eligible salary (base salary plus cost of living allowance, if any) each month through payroll deductions or cash contributions. General Motors contributes one dollar for each dollar you save up to 5% of your eligible salary. General Motors will contribute 60 cents for each dollar you save from 5% to 10% of your eligible salary. Your savings above 10% of your eligible salary will not be matched by GM contributions. All funds are turned over to a trustee for investment in securities.

Of the amount you save up to 10% of your eligible salary, one-half must be invested in GM common stock. All of the rest of your savings will be invested in one of five available investment options described later. All of the amount contributed by General Motors is invested in GM common stock.

The chart below illustrates how the Program works

Dividends and other earnings on all these assets are reinvested under your account as received

Savings Are Accumulated in "Classes" . . .

which are formed each calendar year. You put your savings into a class only during the year in which it is formed.

At the end of the year, that class is closed to any further savings. On January 1 of the next year, a new class will be formed.

You Make an Investment Election . . .

requesting the trustee to invest one-half of your savings up to 10% of your eligible salary and all of your savings above 10% of your eligible salary in one of the following options:

- Investment Option #1—
U.S. Savings Bonds

These bonds have specified redemption values

For Each \$1 of Eligible Salary You Save	Amount of Your Savings Invested In		GM Contribution Invested In GM Common Stock
	GM Common Stock	Elected Option	
Up to 5%	\$.50	\$.50	\$1.00
From 5% to 10%	\$.50	\$.50	\$.60
From 10% to 15%	—	\$1.00	—

• Investment Option #2—Diversified
U.S. Government Securities

This is a portfolio of U.S. Government bonds, notes, and bills, and has a fluctuating value.

• Investment Option #3—100% GM
Common Stock

This option allows you to invest your savings entirely in GM common stock.

• Investment Option #4—
Income Fund

This is a fund managed by an insurance company which guarantees a specified minimum annual interest yield over a specified period of time.

• Investment Option #5—
Equity Index Fund

This is a portfolio of common stocks which is managed by an investment company with the objective of matching the overall investment performance of the stock market.

You may change your investment election once each year. If you do not do so, your previous investment election will continue to apply to each subsequent class until you change it. Once you have made your election for a class, you may not change your election until the next year's class, however.

Class Maturity is Reached
3 Years . . .

after the end of the year of class formation. At that time the GM contributions in each class are completely earned-out or matured.

GM contributions are earned-out at the rate of 8 1/3% for each complete calendar month beginning January 31 of the third year after the year of class formation. They are fully earned-out, or matured, on December 31 of the third year. For

example, the 1980 class will commence to earn-out January 31, 1983 and will fully earn-out December 31, 1983.

GM contributions in unmatured classes are fully earned-out immediately under most types of retirement and for certain other terminations of employment. (See pages 19, 32, 40 and 43.)

You Make a Distribution
Election . . .

which determines when you will receive the assets of a class. You may elect either to:

- leave your assets (other than the portion invested in U.S. Savings Bonds, if any) in that class until your retirement or other termination of employment, subject to withdrawal rights as described later.

— or —

- receive all assets in that class early in the year following maturity.

You may change your distribution election prior to the maturity of each class. If you do not do so, your previous distribution election will continue to apply to each subsequent class until you change it.

Any U.S. Savings Bonds to your credit will be distributed to you automatically upon maturity of the class, regardless of your distribution election.

You May Withdraw At Any Time

If You Withdraw From a Class
Before It Matures

you will receive the assets representing your savings, any earned-out GM contributions, and any earnings to your credit in the class. You will not receive unearned GM contributions or earnings thereon.

Any withdrawal prior to class maturity must include all your savings in the class or classes withdrawn.

Withdrawals must be made first from all savings in the class being formed and then from all

savings in one or more previous unmatured classes. Withdrawals are made from classes in the reverse sequence in which the classes were formed. For example, from the 1980 class first and then from the 1979 class, the 1978 class, and the 1977 class.

You may withdraw from an unmatured class once during any calendar year and continue to place savings in the current class. However, if you withdraw a second time during a calendar year, you will not be eligible to add savings for the remainder of the current class. In any event, you may not replace the amount withdrawn.

If You Withdraw From a Class After It Matures

you may withdraw all or any part of your savings from the class without penalty.

After you withdraw all of your own savings in matured classes, you may withdraw assets attributable to GM contributions and earnings on all assets, subject to the following:

- A penalty of 6% of the market value of the assets withdrawn would be deducted from future GM contributions to your account. Under tax law a penalty such as this is necessary to permit withdrawals and still maintain favorable tax treatment of benefits under the Program.
- The amount of GM contributions and earnings withdrawn must total at least \$500. If the assets in your matured classes have a value of less than \$500, you will be required to withdraw all such assets.

A Guaranty Protects Your Savings Until the Class Matures

The market value of GM common stock can go down as well as up. You are protected by a guaranty against any substantial downswing in market value of GM common stock until maturity of each class. **No guaranty applies to your savings in excess of 10% of your eligible salary or to your savings in matured classes.**

For Classes Formed Prior to January 1, 1978

If you withdraw from your account or terminate your employment prior to maturity of a class, and if the current market value of all the GM common stock, U.S. Government securities and cash to your credit in that class at that time is less than the amount of your savings plus interest, you will be paid the difference in cash.

If, at maturity of a class, the current market value of all your assets in that class is less than the amount of your savings plus interest, you will be paid the difference in cash.

For Classes Formed On and After January 1, 1978

A uniform guaranty applies to the five investment options available for classes formed on and after January 1, 1978.

The uniform guaranty assures that the portion of your savings which is required to be invested in GM common stock will be returned with interest in an amount equal to that which is payable on U.S. Savings Bonds. Additionally, you will receive the full current value of the rest of your savings invested in the investment option of your choice, including all savings above 10% of your eligible salary, based on the actual performance of that investment option.

Voting Rights

You will be extended the right to vote, through the trustee, all shares (including fractional shares, whether or not those shares are earned-out) in your account in the trust on the record date for voting at each Annual Meeting of Stockholders.

You may exercise your right to vote by completing, signing and forwarding a voting instruction card to the trustee, who will vote by proxy with proper precautions to preserve the complete confidentiality of your vote.

How Assets Are Distributed

You will receive the Program assets to which you are entitled in the following form:

GM Common Stock

All class maturity stock certificates may be registered in your name alone, or in your name with one other individual as a joint tenant with right of survivorship and not as tenants in common. Shares of stock will be delivered in kind.

In the event of your death, stock certificates will be registered in the name of the beneficiary(ies) you have designated.

In the case of a withdrawal from a class prior to, or subsequent to, its maturity, or upon receipt of a settlement at termination of employment, you may elect to receive stock certificates registered in your name alone, or cash value in lieu of the actual shares of stock.

Other Assets

U.S. Savings Bonds will be registered in your name, or you may elect to receive the cash value in lieu of the actual bonds.

Units to your credit in Diversified U.S. Government securities, the Income Fund or Equity

Index Fund always will be settled in cash. The amount of cash will be based on the current value of the units.

Designation of Beneficiaries

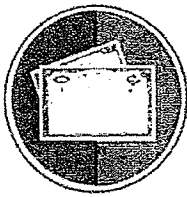
You will be asked to complete a written designation of beneficiary or beneficiaries. This may be changed by you at any time.

Your beneficiary or beneficiaries will receive, in the event of your death, all or part of the assets in your account in accordance with your designation. Assets in your account not affected by your designation, or all of the assets in your account in the absence of such a designation, will be distributed to your estate.

Annual Statement and Tax Information

You will be furnished an annual statement showing the amount of assets to your credit under the Program.

Tax information will be furnished to you from time to time during your participation in the Program — for example, when you make a distribution election, and for most types of distributions of assets.



Stock Ownership in General Motors

UNDER THE GM EMPLOYEE STOCK OWNERSHIP PLAN

The purpose of the General Motors Employee Stock Ownership Plan for Salaried Employees is to provide eligible salaried employees a stock interest in General Motors.

The Plan is funded by GM contributions equal to the additional investment tax credit provided under the Internal Revenue Code for funding such plans. An eligible employee may contribute voluntarily to the Plan and thereby qualify for additional GM contributions matching the amount of such employee contributions. Contributions to the Plan may continue to be made only so long as, and to the extent that, the additional tax credit is available under the tax law.

You Are Eligible . . .

to participate in the Plan if you are a regular classified salaried employee on the first day of the calendar year following completion of 2 years of service and are or will be at least age 24 during the year in which you complete the second year of service. You will be enrolled automatically in the Plan.

The Plan Provides . . .

that for any year in which General Motors elects to claim the investment tax credit currently available under tax law for funding employee stock ownership plans. General Motors will contribute to GM employee stock ownership plans an amount equal to the tax credit for that year. This contribution will include an amount equal to the total amount contributed voluntarily to the plans by employees up to the maximum permitted by tax law. All of GM's contribution and all amounts contributed by employees will be invested in GM common stock. Shares of stock, including any fractional shares, will be allocated to the accounts of employees as soon as practicable. All assets allocated to an employee's account are

retained by the trustee until the employee's retirement or other termination of employment.

There are two types of GM contributions to the Plan:

- **The GM Automatic Contribution**

General Motors automatically will contribute a specified amount to the Plan for a plan year as permitted under tax law. You will receive from this contribution an automatic allocation to your plan account.

- **The GM Matching Contribution**

In addition to the GM automatic contribution to the Plan, General Motors also will contribute an amount which matches the total voluntary contributions of all eligible employees. You must contribute to the Plan in order to receive from the GM matching contribution an allocation to your plan account. Your contribution is used to purchase GM common stock and will be matched dollar-for-dollar with an allocation of GM common stock purchased with the GM matching contribution.

The Amount of Your Automatic Allocation . . .

for any year is determined, in part, by the amount of the total automatic contribution General Motors is permitted to make to the Plan under the tax law. The amount of your automatic allocation also is determined by the relationship of your GM compensation to the total GM compensation of all eligible employees for that year. Compensation in excess of \$35,000 per year is disregarded for allocation purposes under the Plan.

For example, if your eligible compensation for a year is \$20,000 and the automatic allocation for the year is \$2.00 worth of GM common stock for each \$1,000 of eligible compensation, you would receive \$40 worth of GM common stock for that year.

The Amount of Your Matching Allocation . . .

for any year is determined by the amount, if any, which you actually contribute to the Plan. Your contribution will be matched dollar-for-dollar with an allocation from the GM matching contribution to the Plan.

Your Contributions . . .

to the Plan, if any, are voluntary. As an eligible employee, you will receive an automatic allocation of shares of GM common stock under the Plan whether or not you contribute to the Plan. However, by electing to contribute, you have the opportunity to increase your acquisition of shares for any year in which you do contribute.

The smallest amount you may contribute in any year is called your Minimum Matching Amount. This is your prorated portion of the maximum amount which General Motors is permitted to contribute to the Plan for matching purposes under the tax law.

For example, if your eligible compensation for a year is \$20,000 and the Minimum Matching Amount for the year is \$1.00 worth of GM common stock for each \$1,000 of eligible compensation, you could contribute \$20 to the Plan and receive an additional \$40 worth of GM common stock for that year (your \$20 matched with GM's \$20).

It may be possible for you to contribute more than your Minimum Matching Amount in a year. If you wish to contribute an additional amount, you may declare your desire to contribute 2, 3, 4 or 5 times your Minimum Matching Amount on the form provided to you. However, you will have the opportunity to make such additional contributions only to the extent that some employees decide not to contribute to the Plan.

The Minimum Matching Amounts of any employees who choose not to contribute to the Plan will be allocated among those eligible employees who wish to contribute additional amounts. In this allocation, all employee contributions of 2 times the Minimum Matching Amount will be accommodated before any contributions of 3 times such amount, and so on in this manner, until the total amount of the available GM matching contribution has been allocated among all employees who elect to contribute additional amounts.

Therefore, the actual amount which you are permitted to contribute to the Plan may be less than the amount you elect to contribute.

As soon as practicable after you submit your completed contribution election form, you will receive a statement from General Motors indicating the amount you will be permitted to contribute for the plan year. Your contribution then would be made by means of payroll deductions.

To illustrate . . .

how the Plan works, the chart which follows shows some typical annual automatic and matching allocations at various levels of annual earnings. For purposes of these examples, an employee contribution of the Minimum Matching Amount is assumed.

Your GM Earnings	Your Assets Under the GM Automatic Contribution	Your Assets Under the GM Matching Contribution*		Your Annual Total Assets If You Contribute*
	Automatic Allocation at \$2 per \$1,000	Your Contribu- tion at a Minimum Match- ing Amount of \$1 per \$1,000	Matching Allocation	
\$	\$	\$	\$	\$
15,000	30	15	15	60
20,000	40	20	20	80
25,000	50	25	25	100
30,000	60	30	30	120
35,000	70	35	35	140

*If you should elect not to contribute, this column would not apply to you. Keep in mind that contributions of up to 5 times your Minimum Matching Amount may be possible if sufficient GM matching contribution amounts are available.

Dividends

Dividends paid on GM common stock held for you by the trustee will be invested in GM common stock and allocated to your account. Additional shares acquired through dividends will be allocated to your account as soon as practicable.

Nonforfeiture

All shares (including fractional shares) of GM common stock allocated to your account will be nonforfeitable.

Withdrawals

Withdrawals from the Plan are not permitted.

Distribution

Distribution of your account is made after retirement or other termination of employment.

Generally, you will receive two distributions following your retirement or other termination of employment. The first distribution will be in February following the year of termination and will consist of your entire account balance at that time. In February of the second year following the year of termination, the amount allocated to your account for the year in which your employment terminates will be distributed to you.

Distribution will be made to you in shares of GM common stock. Any fractional share in your account will be paid to you in cash. In the event of

your death, the distribution will be made to the beneficiary designated by you or, if you have not designated a beneficiary, to your estate.

Voting Rights

You will be extended the right to vote, through the trustee, all shares (including fractional shares) allocated to your account in the trust on the record date for voting at each Annual Meeting of Stockholders.

You may exercise your right to vote by completing, signing and forwarding a voting instruction card to the trustee, who will vote by proxy with proper precautions to preserve the complete confidentiality of your vote.

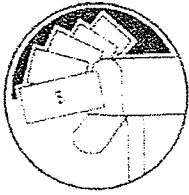
Designation of Beneficiaries

You will be asked to complete a written designation of beneficiary or beneficiaries. This may be changed by you at any time.

Your beneficiary or beneficiaries will receive, in the event of your death, all or part of the assets in your account in accordance with your designation. Assets in your account not affected by your designation, or all of the assets in your account in the absence of such a designation, will be distributed to your estate.

Annual Statement

Each year you will be furnished a statement showing the assets credited to your account.



While You Are Disabled and Unable to Work

If you become disabled and are unable to work you may be approved for a disability leave of absence. To be granted a disability leave, you must furnish satisfactory medical evidence that you are unable to discharge your job responsibilities as a result of disability.

In the usual case, you will continue to receive your regular salary for the first week of your disability. Thereafter, while you remain disabled and furnish medical evidence satisfactory to General Motors and the insurance company, you may receive salary continuation and insured sickness and accident benefits, followed by extended disability benefits. Social Security disability insurance benefits also may become payable.

If you are totally and permanently disabled, monthly benefits also may be payable to you from the Group Insurance Program, the Retirement Program, and personal accident insurance. In addition, you may receive a distribution of your accounts, if any, under the Savings-Stock Purchase Program and Employee Stock Ownership Plan.

If you lose a bodily member or your eyesight through accidental means, additional benefits may be payable under your extra accident insurance and under personal accident insurance.

General Motors pays the full cost of your GM disability insurance (except personal accident) while you are at work or are on an approved disability leave of absence.

SICKNESS AND ACCIDENT BENEFITS

For Employees In Classified
Salaried Positions

You Are Covered . . .

for sickness and accident benefit insurance on the first day of the fourth month following the month in which you commence working with General Motors. If you are not at work on the date your insurance would otherwise start, coverage commences on the day you return to work.

While You Are Unable to Work . . .

because of sickness or injury and you are under the care of a doctor, sickness and accident benefits may be payable for as long as 12 months.

Sickness and accident benefits also may be payable if you are disabled from surgery for sterilization, or if you are hospitalized for testing to determine suitability to be a donor for an organ or tissue transplant.

To Receive Sickness and Accident Benefits . . .

you must give written notice of any injury or sickness within 20 days after the accident causing your injury or the onset of sickness.

Sickness and Accident Benefits Begin . . .

after a 7-day waiting period (during which your salary may be continued).

Monthly Benefit Amounts . . .

are equal to 60% of your monthly base salary for periods of disability prior to the day you attain one year's length of service, and 75% thereafter, if you are otherwise eligible for sickness and accident benefits. Base salary, for this purpose, includes premium for necessary continuous 7-day operations but does not include overtime, night shift premium, or any cost of living allowance. Benefits are payable on your regular pay-day. These benefits are supplemented by salary continuation as shown in the table on page 31.

Duration of Benefits . . .

is based on your GM length of service or years of participation, if greater (see page 46)

For each month of service, you may receive one monthly benefit, up to a total of 12 monthly benefits.

If your GM service is less than 12 months, benefits nevertheless may continue for up to 12 months while you are hospitalized or while you are receiving workers compensation payments from General Motors.

If you return to work before the end of the maximum period for which you are eligible to receive sickness and accident benefits and are absent again because of the same or a related disability within three months, benefits pick up where they left off. If your second absence results from a different disability, the first absence does not affect the benefits or waiting period for the second absence.

EXTENDED DISABILITY BENEFITS

For Both Classified and Unclassified Employees

If you are still disabled after you receive sickness and accident benefits or salary continuation payments for the maximum period, or if you become disabled while on layoff and are still disabled after you receive layoff benefits for the maximum period, you may be eligible to receive monthly extended disability benefits

Sickness and Accident Benefits Are Reduced By . . .

certain workers compensation or any unemployment compensation payments to which you are entitled for the same period that you receive sickness and accident benefits.

To Apply for Sickness and Accident Benefits . . .

you must complete a claim form provided by General Motors for that purpose and return it to your GM unit

Employees In Unclassified Salaried Positions . . .

who become totally disabled may have all or part of their salary continued for up to 12 months while disabled, reduced by the amount of any Social Security disability insurance benefits received for the same period of disability

In Certain States . . .

employees in either classified or unclassified salaried positions may be eligible under a statutory disability benefits law for disability benefits for time lost from work. If you are an employee working in California, Hawaii, New Jersey, New York, Puerto Rico, or Rhode Island, certain modifications in your sickness and accident benefits or salary continuation payments during disability are explained in a special enclosed insert

You Are Covered . . .

for extended disability benefit insurance on the first day of the fourth month following the month in which you commence working with General Motors

To Receive Extended Disability Benefits

you must be totally disabled so as to be unable to engage in any regular employment with General Motors at the location where you last worked, and must not be working elsewhere.

Monthly Benefit Amounts

are equal to 60% of your monthly base salary. Base salary for this purpose includes premium for necessary continuous 7-day operations but does not include overtime, night shift premium, or any cost of living allowance.

Duration of Benefits

is based on your GM years of participation (see page 46).

- * If you have 10 or more years of participation when you become disabled . . .

benefits are payable until recovery, but not beyond age 65.*

- * If you have less than 10 years of participation when you become disabled . . .

benefits are payable until recovery — or if less, for a period equal to your years of participation at the commencement of disability (less the period during which sickness and accident benefits or salary continuation payments are received), but not beyond age 65.*

*However, effective January 1, 1979, if you should become disabled at or after age 63 and become eligible for extended disability benefits, benefits will be payable for up to 12 months, but not beyond age 70.

Extended Disability Benefits Are Reduced By . . .

any Part A benefits and Part B supplementary benefits (see page 11) for which you may be eligible under the Retirement Program and any benefit for which you are eligible under a GM Pension Plan. In addition, governmental benefits such as workers compensation, certain Social Security benefits or any federal or state lost-time disability benefits are deductible. Increases in any of these benefits payable after extended disability benefits commence will not be deducted unless the increase represents an adjustment in the original determination of the amount of such benefit.

A Monthly Special Benefit Equal To . . .

\$8.70 for months on or after October 1, 1979
\$9.20 for months on or after October 1, 1980
\$9.70 for months on or after October 1, 1981

will be payable to employees who are eligible to receive extended disability benefits, are not retired, and are enrolled in Medicare Part B.

To Apply for Extended Disability Benefits . . .

you must complete a claim form provided by General Motors for that purpose and return it to your GM unit.

ILLUSTRATION OF SALARY CONTINUATION, SICKNESS AND ACCIDENT
BENEFITS (S&A) AND EXTENDED DISABILITY BENEFITS (EDB)

TYPES OF DISABILITY PAYMENTS FOR PERIODS SHOWN BELOW				
LENGTH OF SERVICE	Full salary*	S&A and salary combined equal to full salary*	Maximum S&A benefits payable**	Maximum EDB payable
LESS THAN 1 YEAR	1st week	—	Up to 12 months	None
1 YEAR TO 5 YEARS	1st week	next 7 weeks	12 months	For a period equal to years of partici- pation (if under 10) — less — the period S&A and/or salary continuation paid but not beyond age 65***
5 YEARS TO 10 YEARS	1st week	next 12 weeks	12 months	
10 OR MORE YEARS	1st week	next 25 weeks	12 months	To age 65*** (if years of participation are 10 or more)

*For this purpose, full salary includes base salary, cost of living allowance, and premium for necessary 7-day operations, but does not include overtime or night shift premium

**Employees in unclassified positions may have all or part of their salary continued for up to 12 months. They are not eligible for S&A.

***Effective January 1, 1979, an employee disabled at or after age 63 who becomes eligible for extended disability benefits may receive benefits for up to 12 months, but not beyond age 70.

TOTAL AND PERMANENT DISABILITY BENEFITS

Monthly Instalment Payment of Your Basic Life Insurance

may be elected if you have less than 10 years of participation and you become totally and permanently disabled before age 70 or the end of the month in which your length of service is broken, if earlier.

Monthly instalments equal to the final monthly extended disability benefit amount payable may commence after you have received your final monthly extended disability benefit.

Monthly payments will continue until the total amount paid equals the amount of your basic life

insurance or \$100,000, if less. If the amount of your basic life insurance exceeds \$100,000 the excess will be canceled immediately prior to the commencement of the monthly payment and you will be entitled to convert the excess amount to an individual policy (see page 48).

Your designated beneficiary will be paid the remaining unpaid amount if you should die before you receive the full amount of your basic life insurance.

To Apply for Instalment Payment of Your Life Insurance . . .

you must complete a claim form provided by General Motors for that purpose and return it to your GM unit.

Your Basic Life, Extra Accident, and Survivor Income Benefit Insurance Will Be Continued . . .

at no cost to you while you are totally and permanently disabled prior to age 65 if you have 10 or more years of participation. At age 65, your extra accident and survivor income benefit insurance will be canceled and your basic life insurance will be reduced (see page 36).

Unreduced Retirement Program Benefits May Be Payable . . .

for the rest of your life if you are under age 65, with 10 or more years of credited service (see page 14).

Savings-Stock Purchase Program and Employee Stock Ownership Plan Accounts May Be Distributed . . .

regardless of your age or the length of your GM service if you are participating in these plans. All assets in your accounts, including all GM contributions, may be distributed in lump sums

YOU MAY BE ASKED TO BE EXAMINED BY . . .

a doctor, clinic, or other medical authority for the purpose of verifying disability at any time you may be eligible to receive sickness and accident benefits, extended disability benefits or instalment payments of life insurance. Generally, if you are found able to work, your benefits will be

discontinued. Failure to report for the examination may affect your eligibility for benefits. You will be reimbursed at 17¢ per mile for travel to and from the examination if your residence is 40 or more miles (one-way) from the examiner's office.

SOCIAL SECURITY DISABILITY INSURANCE BENEFITS

If you become disabled before age 65, you may be eligible for disability insurance benefits from Social Security. Your nearest Social Security office can tell you if you qualify. Benefits may be payable after you have been disabled for five full calendar months. However, you do not have to wait five months to apply.

The amount of Social Security benefits payable because of disability is generally in accord with the schedule set forth on page 18 for benefits payable at age 65.

EXAMPLE OF GM DISABILITY INCOME BENEFITS

An employee age 37 earning a base salary of \$2,000 per month with 11 years of service who becomes totally and permanently disabled would receive:

- Salary continuation and sickness and accident benefits equal to \$2,000 per month plus cost of living allowance for the first 6 months.
- Monthly sickness and accident benefits of \$1,500 (75% of salary) for the next 6 months, followed by:
- Monthly extended disability benefits of \$1,200 (60% of salary) until age 65. This amount would include disability benefits from other sources such as Part A and Part B supplementary retirement benefits and Social Security disability insurance benefits. Any Part B primary retirement benefits would be in addition.
- Monthly total and permanent disability benefits payable for life under the Retirement Program.
- Entire account balance under the Savings-Stock Purchase Program and the Employee Stock Ownership Plan.

ADDITIONAL INSURANCE BENEFITS—FOR ACCIDENTAL INJURY

Your Extra Accident Insurance . . .

equal to one-half of your basic life insurance (as described on page 35) provides lump sum payments for bodily injuries (severance of a hand at or above the wrist joint or a foot, at or above the ankle joint, or the permanent loss of the sight of an eye) by accidental means if the loss occurs within two years of the accident. For any one of these losses, you may receive one-half of your extra accident insurance. Your full extra accident insurance may be paid to you if you should suffer two or more such losses. Extra accident insurance benefits are payable whether you are injured on or off the job. The loss cannot be due to disease, self-inflicted injury or any act of war.

If the Loss Occurs While You Are On Company Business . . .

an additional benefit may be paid equal to the amount of your extra accident insurance that is payable.

To Apply for Extra Accident Insurance Benefits . . .

you must complete a claim form provided by General Motors for that purpose and return it to the GM unit where you last worked.

Personal Accident Insurance . . .

also provides lump sum payments for loss of body members or eyesight as the result of an accident. Detailed information and enrollment cards are contained in the booklet, "Personal Accident Insurance."

OTHER BENEFIT PROGRAM COVERAGES WHILE ON DISABILITY LEAVE

Health Care Coverages

Your Health Care coverages (including dental) will continue to be provided at GM expense while you are on an approved disability leave and totally and continuously disabled. If you had

less than six months of service when your leave commenced, you must share the cost.

You may continue your comprehensive medical expense insurance coverage by paying the usual monthly employee contribution for as long as your basic coverages remain in effect.

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Savings-Stock Purchase Program

You may continue regular monthly savings for up to one year while you are on an approved disability leave.

GM contributions continue to earn out while you are on disability leave.

Life and Disability Insurance

For any period during which you are entitled to receive sickness and accident benefits or salary continuation payments while you are totally disabled, basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit insurance will be continued at no cost to you.

Thereafter, these coverages may be continued while you are totally and continuously disabled and remain on an approved disability leave of absence, but not to exceed the period equal to your years of participation (see page 46) as of the first day of disability. Also, such insurance may be continued while you are entitled to

receive monthly extended disability benefits after cancellation of your disability leave because the period of such leave equaled your length of service. General Motors will pay the full cost of your insurance during these periods.

You must pay the required monthly contributions to continue optional and dependent group life insurance while your basic life insurance remains in force.

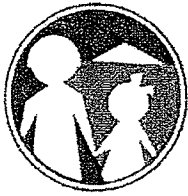
Personal Accident Insurance

You may continue this coverage on yourself and any eligible dependents for 12 to 24 months, depending on the method you use to pay premiums and the premium due date.

Retirement Program

You may continue to make regular monthly contributions to Part B for up to one year while on an approved disability leave.

You may continue to accrue credited service for up to 11 months while on an approved disability leave as explained on page 12.



In the Event of Death

Your survivors may become eligible for benefits under both the GM Insurance Program and the GM Retirement Program. In addition, coverage is available for your spouse and dependents under the Insurance Program.

GM INSURANCE PROGRAM BENEFITS

You are eligible for basic life, extra accident, and survivor income benefit insurance on the first day of the month following the month in which you commence working with General Motors. In addition, these coverages will be provided for an employee who dies, prior to becoming insured, as a result of accidental bodily injuries caused solely by employment with General Motors.

If you are not at work on the date your insurance coverages would otherwise start, such coverages start the day you return to work.

General Motors pays the full cost of this insurance while you are at work.

You may increase the amount of your survivor benefits by enrolling for optional group life insurance or personal accident insurance, or both. You pay the cost of these additional coverages.

YOUR BASIC LIFE INSURANCE PRIOR TO AGE 65 . . .

is equal to 24 times your monthly base salary. Base salary, for this purpose, includes premium for necessary continuous 7-day operations but does not include overtime, night shift premium or any cost of living allowance

You have the right to designate your beneficiary or beneficiaries and to change your beneficiary designation at any time

Basic life insurance benefits are payable to your designated beneficiary if you should die from any cause while covered for life insurance. Your beneficiary may elect to receive benefits in a lump sum or in monthly installments under one of the optional income plans

YOUR EXTRA ACCIDENT INSURANCE . . .

is provided while you are insured for basic life insurance to age 65 and is equal to one-half of your basic life insurance.

If you should die as the result of an accident while covered for extra accident insurance, your beneficiary will receive this insurance in addition to any other benefits payable in the event of death

For extra accident insurance to be payable, your death must occur within one year following the accident and must not be due to disease, self-inflicted injury or any act of war.

IF DEATH SHOULD OCCUR AS THE RESULT OF AN ACCIDENT WHILE ON COMPANY BUSINESS . . .

an additional benefit will be paid equal to the amount of your extra accident insurance that is payable.

To Apply for Life and Extra Accident Insurance Benefits . . .

a beneficiary must make a claim on a form provided by General Motors for that purpose and return it to the GM unit where you last worked

YOUR SURVIVOR INCOME BENEFIT INSURANCE . . .

is in force while you are insured for extra accident insurance and provides monthly payments in addition to your basic life and extra accident insurance. Two kinds of survivor income benefits are provided to eligible survivors of employees: a transition benefit and a bridge benefit.

• A Transition Benefit . . .

of \$300 per month may be payable to your eligible survivors for up to 24 months

However, the transition benefit will be \$175 if the survivors are or become eligible for certain Social Security benefits.

waiver is received by General Motors on or before the date the survivor applies for survivor income benefits. The waiver may be terminated at any time. The termination will become effective the first day of the second month following receipt by General Motors of appropriate notice from the survivor.

• A Bridge Benefit . . .

of \$300 per month may be payable to your surviving spouse. To be eligible she or he must be at least age 45, or your surviving spouse's age, when combined with your years of participation, must total 55 or more, on the date of your death. In either case, your surviving spouse must have been married to you for at least one year.

The bridge benefit will begin after payment of the 24th transition benefit. Bridge benefits cease if the surviving spouse remarries or attains age 62 or the age at which full widow's or widower's insurance benefits or old age benefits become payable under Social Security, or dies.

Bridge benefits are not payable for any month for which a surviving spouse could qualify for a mother's or father's insurance benefit under Social Security, whether or not she or he actually receives the mother's or father's benefit.

To Apply for Survivor
Income Benefits . . .

an eligible survivor must make a claim on a form provided by General Motors for that purpose and return it to the GM unit where you last worked.

• An Eligible Widow or
Widower . . .

may waive survivor income benefits in order to receive a higher monthly benefit under the GM Retirement Program.

The waiver can become effective as early as the first day retirement benefits are payable if the

CONTINUING INSURANCE
AFTER AGE 65

If you have 10 or more years of participation (see page 46) when you reach age 65, your basic life insurance will be continued without cost to you for your lifetime. However, the amount of your basic life insurance will be reduced each month by 2% of the amount you had in force at age 65 until the amount equals 1½% for each year of participation times the amount in force at age 65.

For example, an employee with 30 years of participation who has \$50,000 of basic life insurance at age 65 would have \$22,500 of continuing life insurance after all reductions, as follows:

$$1\frac{1}{2}\% \times 30 = 45\% \times \$50,000 = \$22,500.$$

While you are at work for General Motors after age 65, your basic life insurance is continued for you subject to the age 65 reduction provisions. However, effective January 1, 1979, years of participation which you accrue after age 65 and any changes in your monthly base salary after age 65 will be used in determining the amount of continuing life insurance. Extra accident, survivor income benefit, sickness and accident and extended disability benefit insurance continue while you are in active service so long as basic life insurance remains in force.

If you terminate employment with General Motors for any reason after age 65, your extra accident, survivor income benefit, sickness and accident and extended disability benefit insurance coverages are canceled at the time you terminate employment. Your basic life insurance also is canceled if you do not have 10 years of participation at the time you terminate employment.

IN ADDITION TO THE COVERAGES PROVIDED AT NO COST TO YOU, THE FOLLOWING PROTECTION IS AVAILABLE UNDER THE INSURANCE PROGRAM:

Optional Group Life Insurance

You May Enroll for Optional Group Life Insurance . . .

in amounts of \$5,000, \$10,000 or \$15,000 or 1, 2, 3, 4 or 5 times your annual base salary. Annual base salary for this purpose, equals 12 times your monthly base salary. Base salary includes premium for necessary continuous 7-day operations but does not include overtime, night shift premium or any cost of living allowance.

This insurance is in addition to your basic life insurance and is available to regular employees with 6 or more months of service while basic life insurance is in force.

You have the right to designate your beneficiary or beneficiaries. The beneficiary need not be the same as you designated for your basic life insurance.

You Contribute . . .

the full cost of optional group life insurance. Your local insurance office can advise you of the current monthly contribution rate for your age group. Rates are subject to change by the insurance company.

When You Attain Age 66

the amount of optional group life insurance in force on your 65th birthday will be reduced by 20% and by a like amount each year to age 70. You will be required to contribute for the coverage remaining in force. No optional group life insurance will be provided after the end of the month in which you attain age 70.

Additional Information . . .

concerning optional group life insurance is available in the enrollment folder which describes this coverage.

Dependent Group Life Insurance

Effective January 1, 1980, Increased Dependent Group Life Insurance Benefits Available . . .

which will provide up to \$50,000 on your spouse and up to \$10,000 on each eligible child in increments of \$10,000 and \$2,000, respectively, if you elect to enroll.

You are eligible for this coverage if you are insured for at least \$5,000 of optional group life insurance and have an eligible dependent.

You are the beneficiary for dependent group life insurance. Benefits are payable to you in a lump sum if an eligible dependent should die from any cause while you are insured for dependent group life insurance.

An eligible dependent includes your spouse, and dependent children over 14 days of age who are eligible to be covered for basic Health Care coverages (excluding sponsored dependents).

You Contribute . . .

the full cost of dependent group life insurance. Your insurance office can advise you of the current monthly contribution rate for your age group. Rates are subject to change by the insurance company.

You May Continue . . .

dependent group life insurance to age 70 if you are insured for optional group life insurance. You must pay the required monthly contribution.

Additional Information . . .

concerning dependent group life insurance is available in the enrollment folder which describes this coverage.

Personal Accident Insurance

You May Enroll For Personal Accident Insurance . . .

in amounts from \$10,000 to \$250,000. You also may enroll your spouse and any eligible dependent children for this insurance. The maximum dependent coverage available is \$100,000 for your spouse and \$30,000 for each child. However, after you are age 70, insurance in force on any person insured may not exceed \$50,000.

You contribute the full cost of personal accident insurance. Your insurance office can advise you of the premium rates.

Benefits are payable to the designated beneficiary if you, your spouse or dependent child die by accidental means provided death was not the result of self-inflicted injury, experimental or test flight in an aircraft, or any act of war.

Detailed information concerning personal accident insurance and enrollment cards are contained in the booklet, "Personal Accident Insurance."

GM RETIREMENT PROGRAM SURVIVOR BENEFITS

In addition to benefits under the GM Insurance Program, your survivors may receive GM Retirement Program benefits under Part A and/or Part B.

If You Die Before Retirement

Part A Automatic Benefit For Your Surviving Spouse

If you die after attaining eligibility to retire voluntarily and have been married at least one year, a lifetime monthly Part A basic benefit may be payable automatically to your surviving spouse.

Your spouse's monthly benefit would be 60% of the monthly Part A basic benefit you would have received had you retired voluntarily and elected the survivor option.

FOR EXAMPLE . . .

suppose you have this Part B survivor option in effect and you die in October, 1981 at age 50 before you are eligible to retire voluntarily. You and your spouse are the same age, your average monthly base salary is \$2,000, you have contributed \$7,000 to Part B of the Program, and have 25 years of credited service. Your spouse would receive monthly benefits equal to 60% of your accrued Part B benefits, or, in this case, an estimated \$250 a month for life.

Part B Optional Benefit For Your Surviving Spouse

You may elect this option on a form provided by the personnel department when you first become eligible to participate in Part B of the Program, provided you are then married. If you marry thereafter, you may elect this option on a form provided by the personnel department to become effective after one year of marriage.

If you die while this option is in effect, your surviving spouse will receive a monthly benefit equal to 60% of your unreduced accrued Part B primary and supplementary benefits.

If you are eligible to retire voluntarily on the date of your death and have this option in effect, your surviving spouse would receive 60% of the accrued Part B primary and supplementary benefit *plus* the Part A survivor benefit (or survivor income benefits under the GM Insurance Program as discussed on pages 35 and 36).

This option generally remains in effect until you are eligible to elect the survivor option after retirement, your employment terminates, you become divorced, you submit to General Motors your written revocation of the election, you are transferred to the hourly rate for any year, or you withdraw from Part B of the Program.

If You Die After Retirement

Part A Basic and Part B Surviving Spouse Benefits

When you retire, you have the option to provide lifetime monthly benefits for your eligible surviving spouse after your death. This option will not be effective prior to one full year of marriage. If you elect the surviving spouse option, your benefits will be reduced by 5% provided the age difference between you and your spouse is not more than 5 years. If the age difference exceeds 5 years, your benefits will be further adjusted. Your surviving spouse's monthly benefit would be 60% of the monthly Part A basic and/or Part B benefits payable to you.

Generally, this survivor option becomes effective on the date you retire. However, if you retire due to disability before age 55 with less than 30 years of credited service, this option becomes effective at age 55. Prior to age 55, the following would apply:

- Under Part A, you may provide your spouse an actuarially determined 50% joint and survivor option (described below), and
- Any Part B optional benefit for your surviving spouse (described on page 38) would continue in effect until you attain age 55.

If you outlive your spouse or are divorced, you may cancel the Part A survivor option.

After retirement you may revoke both Part A and Part B survivor options. Consent of General Motors and/or the Metropolitan Life Insurance Company is necessary for any revocation while your spouse is alive.

If you cancel or revoke the option, your future benefits will be restored upon application on a form available in the personnel department, to the amount payable without the option. Your previously designated survivor no longer would be eligible for a benefit.

If you marry or re-marry after you retire, you may elect the surviving spouse option under Part A of the program for your new spouse. This option is available only if you had not rejected the surviving spouse option for a previous spouse when it first was made available to you. The marriage or re-marriage provision is not applicable to Part B benefits.

If Your Spouse Is Receiving A Survivor Income Benefit . . .

under the GM Insurance Program, the Retirement Program Part A surviving spouse benefit will not be payable while monthly survivor income benefits are payable under the GM Insurance Program.

Special Benefit

When your surviving spouse is receiving a monthly Part A retirement benefit, the special benefit described on pages 17 and 18 also becomes payable upon attainment of age 65. This benefit can become payable prior to age 65, upon application, if your surviving spouse is receiving a monthly Part A retirement benefit and is enrolled for Part B of Medicare under Social Security.

Part A Basic and Part B Joint and Survivor Benefits—All Retirements

As an alternative to the surviving spouse option, you may elect a joint and survivor option. Under this option all or any part of your reduced monthly Part A basic and Part B benefits may be continued to any beneficiary you designate. For further information on this option, contact your personnel department.

Part A Joint and Survivor Option—Disability Retirement

If you retire due to total and permanent disability before age 55 with less than 30 years of credited service, you may provide a 50% joint and survivor (J&S) option for your spouse. The J&S option would pay your spouse 50% of your actuarially reduced monthly Part A basic benefit in the event you die before your spouse.

This option is applicable only if you are married on the date of the option election and throughout the one year period ending on the date of your death. Moreover, except for accidental death, J&S benefits are not payable if you die within two years of the date of the option election. Benefit payments to the survivor commence on the first of the month following the month you would have attained age 55. J&S benefits are not payable while monthly survivor income benefit insurance is payable under the GM Insurance Program.

Once the J&S option becomes effective, it cannot be canceled until age 55. If your spouse should die or you are divorced before age 55, your benefits would continue to be reduced for your lifetime.

The regular survivor option (described on page 39) becomes available on the first of the month

following your attainment of age 55, whether or not you reject the J&S option. This means that you may reject the J&S option prior to age 55 and elect the regular survivor option at age 55.

HEALTH CARE BENEFITS FOR SURVIVORS

If You Die Before You Are Eligible To Retire Voluntarily . . .

your surviving spouse and dependent children are eligible while receiving survivor income benefits to be covered for the same Health Care coverages (except vision and dental) as were available to you. The full cost of this protection must be paid for by the surviving spouse. However, if he or she is eligible for a bridge benefit (as described on page 36), General Motors will pay the full cost for the first six months of basic Health Care protection.

If you were not eligible to retire voluntarily at the time of your death but you had elected the Part B optional survivor benefit and had at least 10 years of credited service under the Retirement Program, your spouse and eligible dependent children will be eligible for continued Health Care coverages (except vision prior to October 1, 1980). General Motors will continue to pay for basic coverages and for most of the cost of comprehensive medical expense insurance coverage. General Motors also will continue these coverages if you die as a result of accidental bodily injury caused solely by employment with General Motors. Health Care coverages will cease if your surviving spouse remarries or dies.

A surviving spouse age 65 or older who is eligible but not enrolled for Medicare Part B coverage is not eligible for GM payment for any Health Care coverages.

If You Die After Retirement Or After You Are Eligible To Retire Voluntarily . . .

all Health Care coverages (except vision prior to October 1, 1980) that were available to you will be provided to your surviving spouse and eligible dependent children.

General Motors will continue to pay for basic coverages and for most of the cost of comprehensive medical expense insurance coverage except when you retired voluntarily as early as age 55 and prior to age 60 and your combined years of age and credited service totaled less than 65. In this case your surviving spouse would be required to pay the full monthly cost of these coverages.

A surviving spouse age 65 or older who is eligible but not enrolled for Medicare Part B coverage is not eligible for GM payment for any Health Care coverages.

SAVINGS STOCK PURCHASE PROGRAM BENEFITS FOR SURVIVING SPOUSE

If you die while employed and your surviving spouse is your beneficiary under this Program, he or she will receive your entire account balance, including all GM contributions.

In lieu of a lump sum settlement, your surviving spouse may convert all or part of the eligible assets to a lifetime annuity provided your surviving spouse was the beneficiary of at least \$5,000 of assets eligible for such conversion.

FINAL PAYMENTS TO DESIGNATED BENEFICIARY

In the event of your death, your designated beneficiary or estate will receive all assets to which you would have been entitled following termination of employment (see page 48).



If You Are Laid Off

If you are a regular classified salaried employee with length of service of one or more years and are placed on layoff-inactive status, as described in the booklet "Working With General Motors," you may be eligible for semi-monthly payments under the Layoff Benefit Plan. For purposes of this Plan, length of service will include all unbroken salaried and hourly service with General Motors.

Unclassified employees are covered by the Separation Allowance Plan described on the next page.

LAYOFF BENEFITS

The Amount of Layoff Benefits . . .

is based on your base salary at time of layoff plus the cost of living allowance (COLA) applicable to the semi-monthly period for which the layoff benefit is being paid. The monthly total of semi-monthly payments will be based on:

- 75% of your monthly pay (including COLA) for the first 6 months of layoff for which benefits are payable, and
- 60% of your monthly pay (including COLA) for up to the next 6 months of the continuing layoff for which benefits are payable.

The following amounts, if any, will be *deducted* from the amount of your layoff benefits:

- any unemployment compensation (UC) received or to which you are entitled, and any state disability benefits received; plus
- any GM pay received or made available, plus
- 75% of any earnings received from another employer or from self employment, plus
- any unemployment payments to which you are entitled under any GM plan or program to which General Motors has contributed.

Layoff benefits will be payable automatically. You do not have to file an application to receive layoff benefits.

FOR EXAMPLE . . .

assume you have 2 or more years of length of service, are married and have 2 dependent children, you live and work in Detroit, Michigan, and you are laid off January 1, 1980 with a monthly base salary of \$2,160 (including the monthly equivalent of cost of living allowance):

Month of January, 1980	
Base Salary (including COLA)	\$2,160.00
75% of base salary (including COLA)*	1,620.00
1st Semi-Monthly Period (1st-15th):	
Benefit level (½ of \$1,620)	810.00
Less: State UC for period**	228.57
Less: Earnings and other benefits	<u>—0—</u>
GM layoff benefit payable	<u>\$581.43</u>
2nd Semi-Monthly Period (16th-31st):	
Benefit level (½ of \$1,620)	810.00
Less: State UC for period	292.57
Less: Earnings and other benefits	<u>—0—</u>
GM layoff benefits payable	<u>\$517.43</u>
Total GM Layoff Benefits payable for month	1,098.86
Total UC payable for month	<u>521.14</u>
Total layoff income for January	<u>\$1,620.00</u>

*Layoff Benefit calculation would be based on 60% of monthly base salary (including the then applicable cost of living allowance) starting with the 7th month of continuing layoff for which benefits are payable.

**Michigan unemployment compensation (UC) amount based upon weekly benefit rate of \$128.00.

Duration of Layoff Benefits . . .

is based on your length of service when initially placed on layoff-inactive status.

If your length of service is 1 year or more, you may receive layoff benefits for 6 months, plus 1 additional month of benefits for each additional 2 full months of service beyond 1 year — up to a maximum entitlement of 12 months of layoff benefits. Thus, if you have 2 or more years of service at the time you are initially placed on layoff-inactive status, you may be entitled to the maximum of 12 continuous months of layoff benefits.

Initial Benefit Entitlement and Regeneration of Entitlement . . .

will be based on 1 month of entitlement for each 2 full months of service comprised of one or more of the following:

- (a) periods of active service (any month for which pay is received from General Motors);
- (b) any period of GM approved military leave of absence; and
- (c) any period of absence from work because of occupational injury or disease incurred in the course of GM employment and for which you received workers compensation while on GM approved leave of absence;

up to a maximum entitlement of 12 months of layoff benefits for 24 months' service.

For example:

An employee with 16 months length of service was initially laid off for 6 months starting January 1, 1980. The 16 months of active service provided 8 months of layoff benefit entitlement at time of layoff. The employee returned to work on July 1, 1980 with 2 months of unused benefit entitlement remaining to his credit.

After working 14 months, the employee is again laid off on September 1, 1981. During the 14 months of active service, the employee regenerated 7 months of layoff benefit entitlement

which, when added to the 2 months of entitlement remaining after the first layoff period, provides 9 months of layoff benefit entitlement for the layoff period starting September 1, 1981.

Information Required

At time of layoff, you will be requested to complete a data statement indicating the address where you want your layoff benefit checks to be mailed and certain information with respect to your unemployment compensation benefit status and estimated outside earnings.

At the end of each month of layoff-inactive status (or at other times as deemed necessary) you will be required to complete a certification statement with respect to the past month, giving information concerning the amounts of unemployment compensation received or, if denied, for what reason; the amount of any earnings received or receivable; the amount of any other benefits or payments for unemployment received or receivable; an estimate of any earnings to be received for the following month; and any other information relative to your entitlement or benefit amount. This certification statement must be returned promptly so that any necessary adjustments can be made and not delay the layoff benefit payable to you for the next month.

SEPARATION ALLOWANCE PLAN

Unclassified Employees . . .

who have at least 12 months length of service, and are placed on layoff-inactive status, will be eligible for layoff allowance payments under the Separation Allowance Plan.

Such payments are based on your "average monthly salary" as defined in the Plan. The maximum amount of separation allowance ranges from one-half month of average monthly salary for employees with 1 to 3 years of service to 12 times average monthly salary for employees with 29 or more years of service.

The Separation Allowance Plan is discussed in the booklet "Working with General Motors."

OTHER BENEFIT PROGRAM COVERAGES WHILE ON LAYOFF

Health Care Coverages

If you have length of service of at least one year, your basic Health Care coverages (excluding dental) will continue to be provided at GM's expense for up to 13 months. These coverages are available for up to 12 additional months, based on your length of service, if you pay the full monthly contribution.

If you have been employed by General Motors for less than 1 year, your basic Health Care coverages may be continued for the number of months equal to the period of your employment. You must pay one-half the monthly contribution.

You may continue your comprehensive medical expense insurance coverage by paying the required monthly employee contribution while your basic coverages remain in effect. Your dental coverage will be continued only to the end of the month following the month in which you last worked.

Retirement Program

You may continue to accrue credited service for up to 11 months while on layoff. However, you cannot make contributions while on layoff.

If layoff occurs after you have attained age 40 and you reach age 55 with 10 or more years of unbroken credited service, you may qualify for special early retirement with unreduced benefits.

If your layoff continues for longer than 12 months, you may have your Part B contributions returned to you with interest. In lieu of a return of contributions, you may elect to receive a paid-up annuity certificate. If you are later rehired in a GM salaried position before your continuous service is broken, and you immediately resume contributing under Part B, you may return your annuity certificate and have your Part B benefits reinstated.

If, after 12 months of layoff you have 10 or more years of credited service which would remain unbroken upon your attaining age 55, you may leave your contributions in the Program until you retire.

Savings-Stock Purchase Program

No savings are permitted, although you have the following rights in your various classes:

For Classes Which Have Not Matured

- During the period you remain on layoff-inactive status, you may leave your assets in this Program and continue to earn out GM contributions. You retain the usual withdrawal privileges.

- Upon separation from layoff-inactive status:

If your continuous employment at date of layoff was 5 or more years, you will receive a full distribution of all assets in your account, including all GM contributions.

If continuous employment was less than 5 years, you will receive assets attributable to your savings and related earnings plus those assets, including earnings, attributable to GM contributions which have been earned out.

For Classes Which Have Matured

- During the period you remain on layoff-inactive status, you may leave all assets in the Program until your separation from inactive status. You retain the usual withdrawal privileges.

- Upon separation from inactive status, you will receive all your assets in the Program including GM contributions previously earned out in full.

Employee Stock Ownership Plan

You will receive a full distribution of your entire account balance, in the year following the year you complete 12 months of layoff.

Life and Disability Insurance

For the first month following the month in which you last worked prior to layoff, basic life, extra accident, survivor income benefit, sickness and accident, if any, and extended disability benefit insurance will be continued at GM expense.

Thereafter, you may continue basic life, extra accident, and survivor income benefit insurance for the next 12 months. If you had one or more years of recognized length of service when your layoff commenced, General Motors will pay for your insurance for this 12-month period.

Following this period, while your GM length of service remains unbroken, you may continue basic life, extra accident, and survivor income benefit insurance for up to an additional 12 months of layoff.

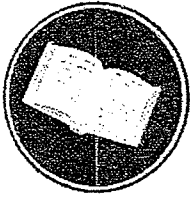
You must contribute 50 cents for each \$1,000 of basic life insurance for any month in which General Motors does not contribute. You must pay the required monthly contributions to continue optional and dependent group life insurance while basic life insurance remains in force.

If you become disabled while on layoff-inactive status, and sickness and accident insurance is not in force, benefits may be continued up to your maximum entitlement under the Layoff Benefit Plan. If you continue to be disabled after you have received layoff benefits or separation allowance for your maximum entitlement, you may be eligible for monthly extended disability benefits (see pages 29 and 30).

At the time of layoff, you will be given a notice explaining your insurance continuance privileges and any monthly contributions you may have to make.

Personal Accident Insurance

You may continue this coverage on yourself and any eligible dependents for 12 to 24 months, depending on the method you use to pay premiums and the premium due date.



General Information About Your Benefits

GENERAL MOTORS PAYS THE FULL COST OF . . .

Part A of the Retirement Program, basic Health Care coverages, basic life and disability insurance, and the Layoff Benefit Plan. In addition, General Motors contributes most of the cost of Part B of the Retirement Program and the Comprehensive Medical Expense Insurance Program. Under the Savings-Stock Purchase Program, General Motors contributes \$1.00 for each \$1.00 an employee saves up to 5% of eligible salary and \$.60 for each \$1.00 an employee saves from 5% to 10% of eligible salary.

The amounts of Retirement Program contributions are actuarially determined. General Motors makes periodic contributions to the Layoff Benefit Plan to maintain the level of the fund at two times the average monthly gross payments paid to employees during the last 12 months.

All basic coverages under the Insurance Program are paid for by General Motors while you are in active service. The amounts of Insurance Program contributions are determined by the carriers.

The Employee Stock Ownership Plan is provided to classified employees at no cost to them. Employees may contribute to the Plan to receive additional matching GM contributions to their account. Other benefits made available by General Motors, the full costs of which are borne by employees, are optional group life insurance, dependent group life insurance, and personal accident insurance.

WHEN INSURANCE COVERAGES START

Basic life, extra accident and survivor income benefit insurance coverages start on the first day of the month following the month in which your employment commenced.

Sickness and accident and extended disability benefit insurance coverages start on the first day

of the fourth month following the month in which your employment commenced.

Health Care coverages, except for dental, hearing aid and vision coverages, start on the first day of the fourth month following the month in which your employment commenced (third month prior to October 1, 1980).

Dental, hearing aid and vision coverages start on the first day of the month which follows the month in which you were actively at work after acquiring one year of service.

If you are not at work on the day your basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit insurance coverages would otherwise start, coverages start the day you return to work.

CESSATION OF INSURANCE COVERAGE

Basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit insurance coverages cease on the day you quit voluntarily or are discharged. Health Care coverages cease at the end of the month in which you quit voluntarily or are discharged. If your employment is terminated for any other reason, except retirement, all coverages continue until the end of the month in which length of service is broken.

Optional and dependent group life insurance cease immediately if you quit voluntarily or are discharged. If you leave General Motors for any other reason except retirement, insurance continues until the end of the month in which your length of service is broken. If you fail to make a required monthly contribution, insurance will cease at the end of the month preceding the month for which the contribution was due. Dependent group life insurance coverage also ceases for any person when that person no longer is an eligible dependent.

YEARS OF PARTICIPATION UNDER THE INSURANCE PROGRAM

Prior to September 1, 1950 . . .

years of participation, in general, equal your recognized length of service at September 1, 1950

From September 1, 1950 through
December 31, 1973 . . .

you receive credit prior to age 65 while insured for life insurance, plus any period while on military leave or while receiving your life insurance in instalments because of total and permanent disability. If you are not insured for a period in excess of 24 consecutive months and your recognized length of service is broken, you lose credit for prior years of participation.

If your credited service under the GM Retirement Program is greater than your years of participation, credited service may be used instead of years of participation

On and After January 1, 1974

For insurance purposes, your credited service accrued on and after January 1, 1974 under the Retirement Program will be added to your years of participation under the Insurance Program (or credited service, if greater) as of December 31, 1973. In addition, if you work beyond age 65, your years of participation will include the greater of all periods during which you are insured for basic life insurance after the month you attain age 65 and prior to the date your length of service is broken, or any credited service accrued under the Retirement Program after you attain age 65.

INSURANCE CERTIFICATES . . .

containing all the detailed provisions of the group insurance benefit coverages you have under the policies issued to General Motors Corporation by its insurance carriers will be made available to you

YOUR GM LENGTH OF SERVICE . . .

is your period of employment with an employing unit of General Motors which is considered unbroken. Your length of service is important to you because it determines the extent of your participation in various employee benefit programs.

Length of service is not recognized until you attain the status of a regular employee.

You become a regular employee upon completion of your probationary period of employment, generally after 6 continuous months of salaried employment. This 6 months is then included in your length of service.

For more information about length of service, contact your supervisor or salaried personnel representative or refer to the salaried employee handbook "Working With General Motors".

BENEFITS FOR PART-TIME EMPLOYEES

Only those part-time salaried employees who are regularly scheduled to work at least half their employing unit's base work week may participate in the GM benefit programs for salaried employees. Generally, the level of coverage is proportional to time worked.

TEMPORARY EMPLOYEES

Employees who are employed on a day-to-day basis (for example, to perform short-term emergency work) may not participate in any of the GM benefit programs.

BENEFITS FOR COMMISSION SALES EMPLOYEES

Employees who are compensated in whole or in part on a sales commission basis may participate in the GM Savings-Stock Purchase Program, Retirement Program, Employee Stock Ownership Plan (ESOP), Insurance Program and the Layoff Benefit Plan. The extent of their participation, with the exception of ESOP, is determined by an "annual earnings base" schedule established by General Motors

BENEFIT PROGRAM COVERAGES WHILE ON NON-DISABILITY LEAVE

If you are granted a leave of absence for a reason other than disability, you can continue your benefit coverages as described below:

Health Care Coverages

Your basic Health Care coverages may be continued for up to 12 months (or for the duration if on educational leave) provided you pay one-half the monthly subscription or contribution charge. Dental coverages may not be continued.

If you are granted a non-disability leave of absence in anticipation of disability, your Health Care coverages may be continued at GM expense starting the first of the month following certification of disability provided you continue your basic Health Care coverages in force by making the required monthly contribution during your non-disability leave.

You may continue your comprehensive medical expense insurance coverage by paying the usual monthly employee contribution while your basic coverages remain in effect.

Retirement Program

Generally, you continue to be covered by the provisions of the Program while on leave. However, you cannot make contributions, and no credited service can accrue except in the case of an approved military leave of absence.

Savings-Stock Purchase Program

Although no additional savings are permitted, you may leave your assets in the Program and continue to earn out GM's contributions.

Life and Disability Insurance

For the first month following the month you last work prior to an approved leave of absence

other than for disability, basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit insurance will be continued with General Motors paying the cost.

Thereafter, you may continue basic life, extra accident, and survivor income benefit insurance for the next 11 months (or for the duration of an educational leave) provided you contribute 50 cents for each \$1,000 of basic life insurance.

Sickness and accident and extended disability benefit insurance may be reinstated if you were granted a non-disability leave of absence because of a medical condition that may be expected to result in total disability in the future, (e.g., anticipated surgery or termination of pregnancy). For insurance to be reinstated you must have been making contributions to continue your basic life insurance and present medical evidence satisfactory to the insurance company that you are totally disabled.

General Motors will pay the full cost of your life and disability insurance starting the first of the month in which you present evidence of total disability satisfactory to General Motors. General Motors will continue to pay the full cost of your insurance coverages on the same basis as provided for an employee on a disability leave as described on page 34.

You must pay the required monthly contributions to continue optional and dependent group life insurance while basic life insurance remains in force.

Personal Accident Insurance

You may continue this coverage on yourself and any eligible dependents for 12 to 24 months, depending on the method you use to pay premiums and the premium due date.

IF YOU LEAVE GENERAL MOTORS . . .

prior to retirement, you will have certain rights and be required to make certain decisions relative to your benefit program coverages, as described below:

Insurance Program Conversion Privileges

During the 31 days following cancellation of your insurance coverages . . .

- You may convert at your expense to whatever "direct pay" individual contract for basic Health Care (but not dental or vision) coverage is then available from the local plan in which you have been enrolled. Application may be made in accordance with a notice which you will receive from the local plan or from your GM employing unit. Comprehensive medical expense insurance coverage may not be converted.
- You may convert at your expense all or part of your basic life, survivor income benefit, and/or optional group life insurance to an individual policy without medical examination. Dependent group life insurance may be converted only by your dependents. Any type of life insurance policy, except term insurance, then being issued by Metropolitan Life may be selected. Application may be made at any local office of Metropolitan Life or at its home office, One Madison Avenue, New York, New York 10010.
- Your personal accident insurance may be converted at your expense to an individual policy of personal accident insurance customarily issued by the Continental Casualty Company. Application may be made directly to the Detroit Insurance Agency, 7650 Second Avenue, Detroit, Michigan 48202.

Retirement Program

Part A basic and Part B supplementary benefits—If you leave General Motors before retirement and have 10 or more years of credited service, you will be eligible at age 65 for deferred Part A basic and Part B supplementary benefits, if any. You may elect to have these benefits start as early as age 55 and prior to age 65 on a reduced basis. Benefits would commence only after you have submitted an application which would be given to you following your break in credited service.

Part B primary benefits—If you leave General Motors before retirement, you may

leave your Part B contributions in the Program.

— or —

withdraw your contributions plus interest.

If you leave your Part B contributions in the Program and have contributed for 5 or more years, you may be entitled to unreduced monthly Part B primary benefits at age 65, or as early as age 55 on a reduced basis. If you have contributed for less than 5 years, you will receive benefits based only on your contributions.

Savings-Stock Purchase Program

If employment ends before class maturity and you have savings in one or more classes which have not matured at the time you leave General Motors, you will receive at least the assets representing your savings plus interest.

Full earn-out of GM contributions will occur prior to maturity of the class if you are terminated as a layoff-separated employee, or special separation in connection with the sale of a General Motors-owned activity, provided you have 5 or more years of continuous service at the time of your layoff or special separation.

For all other terminations (except discharge), you will receive the earned-out GM contributions.

Regardless of the reason for your termination, you will receive all your Program assets held in trust for matured classes, including fully earned-out GM contributions.

Employee Stock Ownership Plan

You will receive two distributions of your account following your termination of employment. The first distribution will be in February following the year of termination. It will consist of your entire balance at that time. In February of the second year following the year of termination, any amount allocated to your account for the year in which you left General Motors will be distributed. You will not receive a plan allocation or have the opportunity to contribute to the Plan for a plan year during which you quit or were discharged.



Information Related to the Employee Retirement Income Security Act of 1974 (ERISA)

TYPES OF PLANS

The GM Retirement Program is a defined benefit plan providing trustee and insured retirement benefits to employees who retire, and to their eligible survivors. The GM Insurance Program is an insured welfare benefit plan providing life and disability insurance to employees, as well as Health Care coverages to employees and their eligible dependents. The GM Layoff Benefit Plan is a welfare benefit plan. The GM Layoff Benefit Plan provides trustee benefits while employees are absent from work due to layoff. The GM Savings-Stock Purchase Program is a defined contribution plan providing trustee benefits on a class year basis to employees who elect to participate in this program. The GM Employee Stock Ownership Plan for Salaried Employees is a defined contribution plan providing benefits to classified salaried employees in the form of common stock ownership in General Motors

Retirement Program trustee benefits. Savings-Stock Purchase Program and Employee Stock Ownership Plan benefits are provided through the National Bank of Detroit. All life and disability benefits and Retirement Program insured benefits, as well as Health Care benefits for certain employees, are provided through the Metropolitan Life Insurance Company. Health Care benefits for other employees are provided through additional insurance companies, a number of local plans providing these coverages, and health maintenance organizations. Layoff Benefit Plan trustee benefits are provided through the Detroit Bank and Trust Company. General Motors is responsible for administration of the plans described in this booklet.

PLAN YEAR

December 31 is the end of the plan year for the Insurance Program, Savings-Stock Purchase Program, Employee Stock Ownership Plan and Layoff Benefit Plan. Records of these plans are kept on a calendar year basis. The Retirement Program plan year ends on September 30. Retirement Program records are kept on a fiscal year basis ending September 30.

NAMED FIDUCIARY

The Finance Committee of General Motors Corporation is the named fiduciary of the plans described in this booklet.

ADMINISTRATOR

General Motors Corporation is the sponsoring employer and administrator of the benefit plans described in this booklet. The administrator's address is Room 13-266, General Motors Building, Detroit, Michigan 48202.

IDENTIFICATION NUMBER

General Motors' employer identification number is 38-0572515. Plan numbers are as follows:

PLAN	
Name	Number
Retirement	001
Savings-Stock Purchase	002
Employee Stock Ownership	008
Insurance	501
Layoff Benefit	502
Comprehensive Medical Expense Insurance	504

LEGAL PROCESS

Service of legal process on General Motors Corporation may be made at any office of the CT Corporation. The CT Corporation, which maintains offices in all 50 States, is the statutory agent for service of legal process on General Motors. The procedure for making such service generally is known to practicing attorneys. Service of legal process also may be made upon the administrator at Room 15-253, General Motors Building, Detroit, Michigan 48202.

PARTICIPANT RIGHTS

As a participant in GM benefit plans you are entitled to certain rights and protections under the Employee Retirement Income Security Act of

1974 (ERISA). ERISA provides that all plan participants shall be entitled by law to:

Examine, without charge, at the plan administrator's office and at other locations, all plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the plan administrator with the U.S. Department of Labor, such as annual reports and plan descriptions.

Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report.

Obtain once a year, free of charge, upon written request, a statement telling you whether you have a right to receive a retirement benefit at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working now. If you do not have a right to a retirement benefit, the statement will tell you how many more years you have to work to get such right.

FIDUCIARY RESPONSIBILITIES

In addition to creating rights for plan participants, ERISA imposes duties upon the persons who are responsible for the operation of employee benefit plans.

These persons are referred to as "fiduciaries" in the law. Fiduciaries must act solely in the interest of the plan participants and they must exercise prudence in the performance of their plan duties.

If your claim for a benefit is denied, in whole or in part, you will receive a written explanation of the reason for the denial. You have the right to a review and reconsideration of your claim.

If you request materials and do not receive them within 30 days, you may file suit in a federal

court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court.

If you should file suit for any reason, the court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the above statement or about your rights under ERISA, you may wish to contact the plan administrator or the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor.

BENEFIT GUARANTEE

Certain benefits under the GM Retirement Program are guaranteed by the Pension Benefit Guaranty Corporation (PBGC) if the plan terminates. However, the PBGC guarantees only normal-age retirement benefits, early retirement benefits (up to the amount accrued for normal retirement), and certain disability and survivor's pensions.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination.

However, if benefits have been increased within five years before plan termination, the benefit increases may not be guaranteed. No benefit increase that has been in effect for less than 12 full months before the plan terminates is guaranteed. Moreover, there is a statutory ceiling on the amount of an individual's monthly benefit that PBGC guarantees. You may wish to address any inquiries you may have to: Pension Benefit Guaranty Corporation, 2020 K Street, N.W., Washington, D.C. 20006 (phone # (202) 254-4817).

TRUSTEES

Trustees of the Retirement Program, who accumulate assets through which trustee retirement benefits (Part A and Part B supplementary) are provided, are as follows:

American National Bank & Trust
Company of Chicago
33 La Salle Street
Chicago, Illinois 60690

Ameritrust
900 Euclid Avenue
Cleveland, Ohio 44101

Bank of America, N.T. & S.A.
Bank of America Center Box 37000
San Francisco, California 94137

Bankers Trust Company
280 Park Avenue
New York, New York 10017

Chase Manhattan Bank, N.A.
1211 Avenue of the Americas
New York, New York 10036

Citibank
153 East 53rd Street
New York, New York 10022

Harris Trust & Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Morgan Guaranty Trust Company of N.Y.
9 West 57th Street
New York, New York 10019

National Bank of Detroit
611 Woodward Avenue
Detroit, Michigan 48232

The First National Bank of Boston
P.O. Box 1882
Boston, Massachusetts 02105

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Wells Fargo Bank, N.A.
P.O. Box 44029
San Francisco, California 94144

Insured retirement benefits (Part B primary) are provided through the following insurance companies:

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, Connecticut 06115

Metropolitan Life Insurance Company
One Madison Avenue
New York, New York 10010

Prudential Life Insurance Company
Prudential Plaza
Newark, New Jersey 07101

The Trustee of the Savings-Stock Purchase Program and Employee Stock Ownership Plan, who accumulates assets through which these benefits are provided, is:

National Bank of Detroit
611 Woodward Avenue
Detroit, Michigan 48232

The Trustee of the Layoff Benefit Plan, who accumulates assets through which layoff benefits are provided, is:

The Detroit Bank and Trust Company
211 Fort Street
Detroit, Michigan 48231

APPLICATION AND CLAIMS REVIEW PROCEDURES

To receive benefits under these employee benefit plans, you will need to file an application. Appropriate forms are available from the personnel department at the location where you are employed. After your application is received, your eligibility for benefits will be determined, and you will be advised accordingly. If you do not receive a response within a reasonable period of time, or you have questions about your benefits, please inquire through your supervisor or personnel department.

If your application for benefits is denied in whole or in part, written notice will be made to you as soon as practicable but no later than 90 days after receipt of your application. This notice will include specific reasons for the denial and will refer to the plan provisions upon which the denial is based. The notice also will include a

description of any additional information that may be needed if the claim is to be resubmitted. An explanation of the procedure by which you may have your denied claim reviewed also will be included in the notice. The review procedure is summarized below.

Within 60 days after you receive the notice that your claim is denied in whole or in part, you may make a written request to have your claim reviewed. As part of the review you may submit any written comments that you feel may support your claim. You also may review pertinent documents related to your claim. A written decision on your request for review will be furnished to you within 60 days (120 days if special circumstances require an extension of time) after your written request for review is received. This written decision on the review will include the specific reasons for the decision and will set forth specific reference to plan provisions upon which the decision is based.